FEDERAL REGISTER

VOLUME 8 NUMBER 42

Washington, Tuesday, March 2, 1943

The President

EXECUTIVE ORDER 9306

POSSESSION RELINQUISHED OF PLANTS OF TRIUMPH EXPLOSIVES, INC., LOCATED AT ELKTON, MARYLAND

WHEREAS by Executive Order No. 9254, dated the 12th day of October 1942, the Secretary of the Navy was authorized and directed by the President to take possession of and operate the plants of Triumph Explosives, Incorporated, located at Elkton, Maryland, insofar as might be necessary or desirable to produce safely and effectively the kind, quantity, and quality of war materials called for by contracts with the United States; and

WHEREAS on the 13th day of October 1942, the Secretary of the Navy, acting pursuant to such direction, took and has retained possession of the said plants of Triumph Explosives, Incorporated, located at Elkton, Maryland; and

WHEREAS the said Executive order provides that possession and operation of any plant thereunder shall be terminated by the President as soon as he determines that such plant will be operated privately in a manner consistent with the war effort; and

WHEREAS it now appears, and the President does so determine, that the said plants of Triumph Explosives, Incorporated, will be privately operated in a manner consistent with the war effort:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, as President of the United States, and as Commander in Chief of the Army and Navy of the United States, hereby direct the Secretary of the Navy to relinquish possession of the said plants of Triumph Explosives, Incorporated, located at Elkton, Maryland, to Triumph Explosives, Incorporated, as of midnight on Sunday, February 28, 1943, and to issue the necessary orders for carrying out this direction.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
February 27, 1943

[F. R. Doc. 43-3246; Filed, March 1, 1943; 12:38 p. m.]

Regulations

TITLE 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration

PART 10—FEDERAL LAND BANKS

LOANS; SPECIAL PAYMENTS

Section 10.29 of Title 6, Code of Federal Regulations, is amended to read as follows:

§ 10.29 *Special payments.* A bank may accept special payments on a bank loan or payment in full thereof either before or after 5 years from the date the loan was made. Where payment arises from the refinancing of the loan from a non-Government lending source and the loan has not been in force for at least 5 years, the bank may collect from the borrower such a sum as will reimburse it for the expense of making the loan. In all other cases of special principal payments or full payment of bank loans, the bank should not charge a prepayment fee nor should it ordinarily charge interest beyond the date the funds are received.

(Sec. 6, 47 Stat. 14, sec. 12, "Second," 39 Stat. 370, as amended; 12 U.S.C. 665, 771 "Second")

[SEAL] W. E. RHEA,
Land Bank Commissioner.

[F.R. Doc. 43-3207; Filed, March 1, 1943; 10:13 a. m.]

Chapter II—Commodity Credit Corporation

[Amendment 1 to 1942 C. C. C. Wheat Form 1—Instructions]

PART 228—1942 WHEAT LOANS

EXTENSION OF TIME FOR COMPLETING 1942 WHEAT LOANS

Pursuant to the provisions of Title III, section 302 of the Agricultural Adjustment Act of 1938, as amended (52 Stat. 43; 7 U.S.C., 1940 ed., 1302), and the Act of May 26, 1941 (55 Stat. 203; 7 U.S.C., 1940 ed., Sup. 1, 1330) as amended by the Act of December 26, 1941 (55 Stat. 860), and as further

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THE PRESIDENT

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FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following legal holidays by the Division of the Federal Register, The National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500), under regulations prescribed by the Administrative Committee, approved by the President.

The Administrative Committee consists of the Archivist or Acting Archivist, an officer of the Department of Justice designated by the Attorney General, and the Public Printer or Acting Public Printer.

The daily issue of the FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for $1.25 per month or $12.50 per year, payable in advance. The charge for single copies (minimum, 10¢) varies in proportion to the size of the issue. Remit money order for subscription or single copies payable to the Superintendent of Documents directly to the Government Printing Office, Washington, D. C.

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amended by the Act of October 2, 1942 (Public No. 729, 77th Congress), Commodity Credit Corporation has authorized the making of loans to producers of 1942 wheat, in accordance with the regulations in this part (1942 C. C. C. Wheat Form 1—Instructions). Such regulations are hereby amended as follows:

Section 228.1(e) *Eligible paper* (7 F.R. 5329) is amended by adding at the end thereof the following language:

Wheat loan documents on 1942 warehoused or farm-stored wheat dated on or prior to January 31, 1943, representing loans made in the area served by the office of the Regional Director of Commodity Credit Corporation located at Minneapolis, Minnesota, as shown in § 228.22 hereof, will be acceptable for purchase upon certification of the Regional Director or his designee.

Dated: January 4, 1943.

[SEAL] J. B. HUTSON, *President.*

[F. R. Doc. 43-3217; Filed, March 1, 1943; 11:27 a. m.]

[Amendment 1 to 1942 C.C.C. Grain Sorghums Form 1—Instructions]

PART 231—1942 RYE, BARLEY, AND GRAIN SORGHUM LOANS

EXTENSION OF TIME FOR COMPLETING 1942 GRAIN SORGHUMS LOANS

Pursuant to the provisions of Title III, section 302 of the Agricultural Adjustment Act of 1938, as amended (52 Stat. 43; 7 U.S.C., 1940 ed., 1302), and the Act of May 26, 1941 (55 Stat. 203; 7 U.S.C., 1940 ed., Sup. 1, 1330) as amended by the Act of December 26, 1941 (55 Stat. 860), and as further amended by the Act of October 2, 1942 (Public No. 729, 77th Congress), Commodity Credit Corporation has authorized the making of loans to producers of 1942 grain sorghums, in accordance with the regulations in this part (1942 C.C.C. Grain Sorghums Form 1—Instructions). Such regulations are hereby amended as follows:

Section 231.4 *Maturity and interest rate* (7 F.R. 5537) is amended by deleting the date "January 31, 1943," appearing at the end of the fourth sentence, and inserting in lieu thereof the date "February 28, 1943."

Dated: January 4, 1943.

[SEAL] J. B. HUTSON, *President.*

[F. R. Doc. 43-3218; Filed, March 1, 1943; 11:27 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Food Distribution Administration

PART 913—MILK IN THE GREATER KANSAS CITY MARKETING AREA

It is provided in Public Act No. 10, 73d Congress (May 12, 1933), as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (hereinafter referred to as the "act"), that the Secretary of Agriculture of the United States (hereinafter referred to as the "Secretary") shall, subject to the provisions of the act, issue and amend orders regulating such handling of certain agricultural commodities (including milk and its products) as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects interstate or foreign commerce in such commodities.

Sec.

AUTHORITY: §§ 913.1 to 913.15, inclusive, issued under 48 Stat. 31, 670, 675, 49 Stat. 750, 50 Stat. 246; 7 U.S.C. 1940 ed. 601 et seq.

§ 912.1 *Findings and determinations*—(a) *Findings.* Pursuant to the act and the rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR 900.1–900.17; 6 F.R. 6570, 7 F.R. 3350), a public hearing was held upon certain proposed amendments to the tentatively approved marketing agreement, as amended, and to the order, as amended, regulating the handling of milk in the Greater Kansas City marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby found that:

(1) The aforesaid order, as amended and as hereby amended, and all of the terms and conditions of said order, as amended and as hereby amended, will tend to effectuate the declared policy of the act;

(2) The prices calculated to give milk produced for sale in the Greater Kansas City marketing area a purchasing power equivalent to the purchasing power of such milk, as determined pursuant to sections 2 and 8 (e) of the act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supplies of and demand for such milk, and the minimum prices set forth in the aforesaid order, as amended and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The aforesaid order, as amended and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in the aforesaid tentatively approved marketing agreement, as amended, upon which a hearing has been held.

(b) *Determinations.* It is hereby determined that handlers of at least 50 percent of the volume of milk covered by this order, as amended, which is marketed within the Greater Kansas City marketing area refused or failed to sign the tentatively approved marketing agreement, as amended, regulating the handling of milk in the Greater Kansas City marketing area; and it is further determined that:

(1) The refusal or failure of such handlers to sign said tentatively approved marketing agreement, as amended, tends to prevent the effectuation of the declared policy of the act;

(2) the issuance of this order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interest of producers of milk which is produced for sale in the Greater Kansas City marketing area; and

(3) The issuance of this order, as amended, is approved or favored by at least two-thirds of the producers who participated in a referendum on the question of the approval of this order, as amended, and who, during the determined representative period, were engaged in the production of milk for sale in said Greater Kansas City marketing area.

§ 912.2 *Order relative to handling.* It is therefore ordered, that, from and after the effective date hereof, the handling of milk in the Greater Kansas City marketing area shall be in conformity to and in compliance with the terms and conditions of this order, as amended.

Provisions

§ 913.3 *Definitions*—(a) *Terms.* The following terms shall have the following meanings:

(1) "Greater Kansas City marketing area" hereinafter called the "marketing area," means all of the territory in: Jackson County, Missouri; that part of Clay County, Missouri, south of Highway 92, beginning at the Platte County and Clay County line, east to the west section line of section 26 in Washington Township, north to the north section line of said section 26, east to the Clay County and Ray County line; Lee, Waldron, May, and Pettis Townships in Platte County, Missouri; Wyandotte County, Kansas; Shawnee and Mission Townships in Johnson County, Kansas; and Delaware, Leavenworth, and that part of Kickapoo and High Prairie Townships east of the 95th principal meridian in Leavenworth County, Kansas.

(2) "Person" means any individual, partnership, corporation, association, or any other business unit.

(3) "Producer" means any person who, with respect to the regulations applicable to milk to be used for consumption as milk or cream in the marketing area, (i) under supervision of the health departments of Kansas City, Kansas, Leavenworth, Kansas; Excelsior Springs, Missouri; Independence, Missouri; or Kansas City, Missouri; or (ii) under a permit issued by either the Kansas State Board of Health or the Missouri State Board of Health produces milk (*a*) which is purchased or received in bulk by a handler, other than himself, at such handler's plant from which milk is disposed of as Class I milk or Class II milk in the marketing area, or (*b*) which a cooperative association causes to be delivered to a plant of a handler or to a plant from which no milk is disposed of as Class I milk or Class II milk in the marketing area, for the account of such cooperative association.

(4) "Handler" means any person who, on his own behalf or on behalf of others, disposes of as Class I milk or Class II milk in the marketing area all or a portion of the milk purchased or received in bulk by him at his plant from (i) producers, (ii) his own production, and (iii) other handlers. "Handler" shall include any cooperative association with respect to the milk of any producer which such cooperative association causes to be delivered to a plant of a handler or to a plant from which no milk is disposed of as Class I milk or as Class II milk in the marketing area for the account of such cooperative association.

(5) "Market administrator" means the person designated pursuant to § 913.4 as the agency for the administration hereof.

(6) "Delivery period" means the current marketing period from the first to, and including, the last day of each month.

(7) "Base" means the quantity of milk calculated for each producer pursuant to § 913.10.

(8) "Cooperative association" means any cooperative association of producers which the Secretary determines (i) to have its entire activities under the control of its members and (ii) to have and to be exercising full authority in the sale of milk of its members.

(9) "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246 (1937); 7 U.S.C. 1940 ed. 601 et seq.), as amended.

(10) "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to exercise the powers and to perform the duties of the Secretary of Agriculture of the United States.

§ 913.4 *Market administrator.* — (a) *Designation.* The agency for the administration hereof shall be a market administrator who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

(b) *Powers.* The market administrator shall:

(1) Administer the terms and provisions hereof; and

(2) Report to the Secretary complaints of violation of the provisions hereof.

(c) *Duties.* The market administrator shall:

(1) Within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary;

(2) Pay, out of the funds provided by § 913.13, the cost of his bond, his own compensation, and all other expenses necessarily incurred in the maintenance and functioning of his office;

(3) Keep such books and records as will clearly reflect the transactions provided for herein and surrender the same to his succesor or to such other person as the Secretary may designate;

(4) Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within 10 days after the date upon which he is required to perform such acts, has not (i) made reports pursuant to § 913.5 or (ii) made payments pursuant to § 913.11; and

(5) Promptly verify the information contained in the reports submitted by handlers.

§ 931.5 *Reports of handlers*—(a) *Periodic reports.* On or before the 7th day after the end of each delivery period, each handler who purchased or received milk from sources other than his own production or other handlers shall with respect to milk or dairy products which were purchased, received, or produced by such handler during such delivery period report to the market administrator in the detail and form prescribed by the market administrator, as follows:

(1) The receipts at each plant of milk from each producer, the butterfat content, and the number of days on which milk was received from each producer;

(2) The quantity of milk received from each producer in excess of his respective base;

(3) The receipts from such handler's own farm production and the butterfat content;

(4) The receipts of milk, cream, and milk products from handlers who purchase or receive milk from producers and the butterfat content.

(5) The receipts of milk, cream, and milk products from any other source, including receipts of milk and cream completely processed and packaged for distribution to consumers from handlers whose sole source of supply is from such handler's own farm production and the butterfat content;

(6) The respective quantities of milk and milk products, and the butterfat content, which were sold, distributed, or used, including sales to other handlers, for the purpose of classification pursuant to § 913.6;

(7) The sales of milk and Class II products outside the marketing area, listing the market or area in which such milk and such Class II products were sold or disposed of, the date of such sale or disposition, and the plant from which such milk and milk products were supplied; and

(8) Such other information with respect to the use of milk as the marketing administrator may request.

(b) *Reports of payments to producers.* On or before the 20th day after the end of each delivery period, upon the request of the market administrator, each handler who purchased or received milk from producers shall submit to the market administrator his producer pay roll for such delivery period which shall show for each producer, (1) the daily and total pounds of milk delivered and the average butterfat content thereof, and (2) the net amount of such handler's payments to such producer with the prices, deductions, and charges involved.

(c) *Reports of handlers whose sole source of supply is from such handler's own farm production or from other handlers.* Handlers whose sole source of supply is from such handler's own farm production or from other handlers shall make reports to the market administrator at such time and in such manner as the market administrator may require.

(d) *Verification of reports and payments.* The market administrator shall verify all reports and payments of each handler by audit of such handler's records and of the records of any other handler or person upon whose disposition of milk the classification depends. Each handler shall keep adequate records of receipts and utilization of milk and milk products and shall, during the usual hours of business, make available to the market administrator or his representative such records and facilities as will enable the market administrator to:

(1) Verify the receipts and disposition of all milk and milk products, and, in case of errors or omissions, ascertain the correct figures;

(2) Weigh, sample, and test for butterfat content the milk purchased or received from producers and any product of milk upon which classification depends; and

(3) Verify the payments to producers prescribed in § 913.11.

§ 913.6 *Classification of milk*—(a) *Basis of classification.* All milk and milk products purchased or received by such handler, including milk of a producer which a cooperative association caused to be delivered to a plant of a handler or to a plant from which no milk is disposed of as Class I milk or Class II milk in the marketing area, for the account of such cooperative association, shall be reported by the handler in the classes set forth in (b) of this section: *Provided,* That (i) milk sold or disposed of by a handler as fluid milk to a nonhandler who distributes fluid milk or cream shall be classified as Class I milk, and cream sold or disposed of by a handler as cream to such nonhandler shall be classified as Class II milk, except for such milk or cream in excess of the amount of milk and cream distributed by such nonhandler; (ii) milk or cream sold or disposed of by a handler to a nonhandler who does not distribute fluid milk or cream shall be classified as Class III milk subject to verification by the market administrator; (iii) milk sold or disposed of as fluid milk by a handler who purchases or receives milk from producers to another handler shall be classified as Class I milk: *Provided,* That if such milk, except milk sold or disposed of by such handler to another handler who purchases or receives no milk from producers, is reported by the receiving handler or by the disposing handler as having been utilized as Class II milk or Class III milk, such milk shall be classified accordingly, subject to verification by the market administrator: *And provided further,* That if such milk was sold or disposed of from a handler's plant located outside the marketing area to another handler who purchases or receives milk from producers, such milk shall be classified at the lowest class usage of such purchasing handler; (iv) cream sold or

disposed of as fluid cream by a handler who purchases or receives milk from producers to another handler shall be classified as Class II milk: *Provided*, That if such cream, sold or disposed of by such handler to another handler who purchases or receives no milk from producers, is reported by the receiving handler or by the disposing handler as having been utilized as Class III milk, such cream shall be classified accordingly, subject to verification by the market administrator: *And provided further*, That if such cream was sold or disposed of from a handler's plant located outside the marketing area to another handler who purchases or receives milk from producers, such cream shall be classified at the lowest class usage of such purchasing handler; (v) milk or cream sold or disposed of as bulk milk or cream by a handler who receives no milk from producers to another handler who receives milk from producers shall be classified as Class III milk; and (vi) milk sold or disposed of completely processed and packaged for distribution to consumers by a handler who purchases or receives no milk from producers to another handler who purchases or receives milk from producers shall be classified as Class I milk up to the amount of such milk actually sold in the original package by the purchasing handler as bottled Class I milk and the remaining milk shall be classified as Class III milk; and cream sold or disposed of completely processed and packaged for distribution to consumers by a handler who purchases or receives no milk from producers to another handler who purchases or receives milk from producers shall be classified as Class II milk up to the amount of such cream actually sold in the original package by the purchasing handler as bottled Class II milk and the remaining cream shall be classified as Class III milk.

(b) *Classes of utilization.* Subject to the conditions set forth in paragraph (a) of this section, the classes of utilization of milk shall be as follows:

(1) Class I milk shall be all milk disposed of in the form of milk containing more than 1 percent butterfat, irrespective of whether under the legal standard for milk and unaccounted for butterfat in excess of 3 percent of the total receipts from producers converted to a 3.8 percent milk equivalent, except such milk as is classified as Class II milk and as Class III milk pursuant to (2) and (3) of this paragraph.

(2) Class II milk shall be all milk, except skim milk, used to produce cream, which is disposed of in the form of cream, other than for use in products specified in (3) of this paragraph, flavored milk, creamed cottage cheese, creamed buttermilk, products sold or disposed of in the form of cream testing less than 18 percent butterfat, aerated cream, and eggnog.

(3) Class III milk shall be all milk used to produce butter, cheese (other than creamed cottage cheese), evaporated milk, condensed milk, ice cream, and powdered whole milk; used for starter churning, wholesale baking and candy making purposes; accounted for as salvage from products where the recovery of fat is impossible; and not accounted for but not in excess of 3 percent of the total receipts of butterfat from producers.

(c) *Responsibility of handlers in establishing the classification of milk.* In establishing the classification as required in (b) of this section of any milk received by a handler from producers, the burden rests upon the handler who receives the milk from producers to account for the milk and to prove to the market administrator that such milk should not be classified as Class I milk.

(d) *Computation of milk in each class.* For each delivery period each handler shall compute, in the manner and on forms prescribed by the market administrator, the amount of milk in each class as defined in (b) of this section, as follows:

(1) Determine the total pounds of milk received as follows: add together the total pounds of milk received from (i) producers, (ii) own farm production, (iii) other handlers, and (iv) other sources.

(2) Determine the total pounds of butterfat received as follows: (i) Multiply by its average butterfat test the weight of the milk received from (*a*) producers, (*b*) own farm production, (*c*) other handlers, and (*d*) other sources and (ii) add together the resulting amounts.

(3) Determine the total pounds of milk in Class I as follows: (i) convert to pounds the quantity of Class I milk on the basis of 2.15 pounds per quart, (ii) multiply the result by the average butterfat test of such milk, and (iii) if the quantity of butterfat so computed when added to the pounds of butterfat in Class II milk and Class III milk, computed pursuant to (4) (ii) and (5) (iv) of this paragraph, is less than the total pounds of butterfat received, computed in accordance with (2) of this paragraph, an amount equal to the difference shall be divided by 3.8 percent and added to the quantity of milk determined pursuant to (i) of this subparagraph.

(4) Determine the total pounds of milk in Class II as follows: (i) Multiply the actual weight of each of the several products of Class II milk by its average butterfat test, (ii) add together the resulting amounts, and (iii) divide the result obtained in (ii) of this subparagraph by 3.8 percent.

(5) Determine the total pounds of milk in Class III as follows: (i) multiply the actual weight of each of the several products of Class III milk by its average butterfat test, (ii) add together the resulting amounts, (iii) subtract from the total pounds of butterfat computed pursuant to (2) of this paragraph, the total pounds of butterfat in Class I milk, computed pursuant to (3) (ii) of this paragraph, the total pounds of butterfat in Class II milk, computed pursuant to (4) (ii) of this paragraph, and the total pounds of butterfat computed pursuant to (ii) of this subparagraph, which resulting quantity shall be allowed as plant shrinkage for the purposes of this paragraph (but in no event shall such plant shrinkage allowance exceed 3 percent of the total receipts of butterfat from producers by the handler), (iv) add together the results obtained in (ii) and (iii) of this subparagraph, and (v) divide the result obtained in (iv) of this subparagraph by 3.8 percent.

(6) Determine the classification of milk received from producers as follows:

(i) Subtract from the total pounds of milk in each class the pounds of milk which were received from other handlers and used in such class.

(ii) Subtract from the remaining pounds of milk in each class the pounds of milk which were received from sources other than producers, own farm production, and other handlers in series beginning with the lowest class.

(iii) If the remaining pounds of Class III milk are less than 10 percent of the sum of the remaining pounds of Class I milk, Class II milk, and Class III milk, subtract pro rata out of the remaining pounds of milk in each class the pounds of milk received from the handler's own farm production, or if the remaining pounds of Class III milk are more than 10 percent of the sum of the remaining pounds of Class I milk, Class II milk, and Class III milk, subtract pro rata out of the remaining pounds of Class I milk and Class II milk 90 percent of the pounds of milk received from the handler's own farm production and subtract from the remaining pounds of Class III milk the remaining pounds of milk received from the handler's own farm production.

(e) *Reconciliation of utilization of milk by classes with receipts of milk from producers.* In the event of a difference between the total quantity of milk utilized in the several classes, as computed pursuant to (6) of (d) of this section, and the quantity of milk received from producers, except for excess milk or milk equivalent of butterfat pursuant to § 913.8 (e), such difference shall be reconciled as follows:

(1) If the total utilization of milk in the various classes for any handler, as computed pursuant to (6) of (d) of this section, is less than the receipts of milk from producers, the market administrator shall increase the total pounds of milk in Class III for such handler by an amount equal to the difference between the receipts of milk from producers and the total utilization of milk by classes for such handler.

(2) If the total utilization of milk in the various classes for any handler, as computed pursuant to (6) of (d) of this section, is greater than the receipts of milk from producers, the market administrator, shall decrease the total pounds of milk in Class III for such handler by an amount equal to the difference between the receipts of milk from producers and the total utilization of milk by classes for such handler.

§ 913.7 *Minimum prices*—(a) *Class prices.* Subject to the differentials set forth in (c) and (d) of this section, each handler shall pay producers, at the time and in the manner set forth in § 913.11, for milk purchased or received from them not less than the following prices:

(1) *Class I milk.* The price per hundredweight of Class I milk during each delivery period shall be the price deter-

mined pursuant to (b) of this section, plus 75 cents: *Provided*, That with respect to Class I milk disposed of under a program approved by the Secretary for the sale or disposition of milk to low-income consumers, including persons on relief, the price shall be the price determined pursuant to (b) of this section, plus 30 cents.

(2) *Class II milk.* The price per hundredweight, of Class II milk during each delivery period shall be the price determined pursuant to (b) of this section, plus 50 cents.

(3) *Class III milk.* The price per hundredweight of Class III milk during each delivery period shall be the highest price ascertained by the market administrator to have been quoted for ungraded milk of 3.8 percent butterfat content received during such delivery period by any one of the three following plants: The Meyer Sanitary Milk Company at its plant at Valley Falls, Kansas; the Franklin Ice Cream Company at its plant at Tonganoxie, Kansas; and the Milk Producers' Marketing Company at its plant at Kansas City, Kansas.

(b) *Basic formula price to be used in determining Class I and Class II prices.* The basic formula price to be used in determining the Class I and Class II prices, set forth in this section, per hundredweight of milk as computed and announced by the market administrator on or before the 5th day of delivery period shall be the arithmetical average of the prices per hundredweight reported to the United States Department of Agriculture as being paid all farmers for milk of 3.5 percent butterfat content delivered f. o. b. plant during the immediately preceding delivery period at the following plants and places:

Borden Co., Mt. Pleasant, Mich.
Carnation Co., Sparta, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Greenville, Wis.
Borden Co., Black Creek, Wis.
Borden Co., Orfordville, Wis.
Carnation Co., Chilton, Wis.
Carnation Co., Berlin, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Jefferson, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
Borden Co., New London, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

divided by 3.5 and multiplied by 3.8, but in no event shall such basic formula price to be used be less than the following: multiply by 3.8 the average price per pound of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the immediately preceding delivery period, and add 20 percent: *Provided*, That such price shall be subject to the following adjustments: (i) add 3½ cents per hundredweight for each full one-half cent that the price of dry skim milk for human consumption is above 5½ cents per pound, or (ii) subtract 3½ cents per hundredweight for each full one-half cent that the price of such dry skim milk is below 5½ cents per pound. For purposes of determining this adjustment the price per pound of dry skim milk to be used shall be the average of the carlot price for dry skim milk for human consumption, f. o. b. manufacturing plant, as published by the United States Department of Agriculture for the Chicago area during the immediately preceding delivery period, including in such average the quotations published for any fractional part of the previous delivery period which were not published and available for the price determination of such dry skim milk for the previous delivery period. In the event the United States Department of Agriculture does not publish carlot prices for dry skim milk for human consumption, f. o. b. manufacturing plant, the average of the carlot prices for dry skim milk for human consumption, delivered at Chicago, shall be used. In the latter event such price shall be subject to the following adjustments: (i) add 3½ cents per hundredweight for each full one-half cent that the price of dry skim milk for human consumption, delivered at Chicago, is above 7½ cents per pound, or (ii) subtract 3½ cents per hundredweight for each full one-half cent that such price of dry skim milk is below 7½ cents per pound.

(c) *Butterfat differential.* If the average butterfat content of milk purchased or received from producers by any handler during any delivery period is more or less than 3.8 percent, there shall be added or subtracted per hundredweight of such milk for each one-tenth of 1 percent above or below 3.8 percent an amount equal to the Class III price for such delivery period divided by 38.

(d) *Location differential.* (1) If any handler has received milk from any producer at his plant approved by an applicable health authority for the receiving of milk to be disposed of as milk or cream in the marketing area, and located outside the marketing area but more than 30 miles by the shortest highway route from such handler's plant approved by an applicable health authority for the receiving of milk to be sold or disposed of as milk or cream in the marketing area and located within the marketing area, there shall be subtracted with respect to a quantity of milk (but not in excess of the total quantity of milk received from producers by such handler at such plant located outside the marketing area) computed by the market administrator as follows: (i) determine the difference between 105 percent of such handler's total Class I milk and Class II milk received from producers and the total quantity of milk received from producers by such handler at his plant located within the marketing area during the delivery period of the next preceding calendar year when such difference was the greatest; (ii) divide such difference by the number of days in such delivery period; and (iii) multiply by the number of days in the delivery period an amount up to but not exceeding the amount specified for the distance of such plant from such handler's plant located within the marketing area, as follows: not more than 45 miles, 17 cents per hundredweight; for each additional 10 miles or fraction thereof up to 75 miles, an additional 1½ cents per hundredweight; and for each additional 10 miles or fraction thereof beyond 75 miles, an additional ½ cent per hundredweight.

(2) If any handler has received milk from producers at more than one such plant located outside the marketing area, at one of which such plants no facilities for processing or separating milk are maintained and has received no milk from producers at his plant located within the marketing area, there shall be subtracted with respect to a quantity of milk, if received, equal to 105 percent of such handler's total Class I milk and Class II milk received from producers, an amount up to but not exceeding the amount specified for the distance of such plant from such handler's plant located within the marketing area, as follows: not more than 45 miles, 17 cents per hundredweight; for each additional 10 miles or fraction thereof up to 75 miles, an additional 1½ cents per hundredweight; and for each additional 10 miles or fraction thereof beyond 75 miles, an additional ½ cent per hundredweight; such deductions shall first be made on the milk received from producers at such plant located outside the marketing area where no facilities for processing or separating milk are maintained.

§ 913.8 *Application of provisions.* (a) The provisions of §§ 913.6, 913.9, 913.10, 913.11, 913.12, and 913.13 shall not apply to a handler whose sole source of supply is from such handler's own farm production or from other handlers.

(b) If a handler who purchases or receives milk from producers purchases or receives milk or cream in bulk from another handler who purchases or receives no milk from producers and sells or disposes of such milk or cream for other than Class III purposes, the market administrator, in determining the net pool obligation of the handler, pursuant to § 913.9 (a), shall add an amount equal to the difference between (1) the value of such milk or cream according to its utilization by the handler, and (2) the value at the Class III price.

(c) If a handler who purchases or receives milk from producers purchases or receives milk or cream completely processed and packaged for distribution to consumers from another handler who purchases or receives no milk from producers and sells or disposes of such milk or cream not sold at bottled Class I or Class II milk in the original package for other than Class III purposes, the market administrator, in determining the net pool obligation of the handler, pursuant to § 913.9 (a), shall add an amount equal to the difference between (1) the value of such milk or cream according to its utilization by the handler, and (2) the value at the Class III price.

(d) If a handler has sold or disposed of milk or cream, which was received from sources other than producers, his own farm production, or other handlers, as Class I milk or Class II milk within the marketing area to persons other than a handler who purchases or receives milk from producers, the market administrator, in determining the net pool obligation of the handler, pursuant to § 913.9 (a), shall add an amount equal to the

difference betwen (1) the value of such milk according to its utilization by the handler, and (2) the value at the Class III price.

(e) If a handler has purchased or received milk or butterfat from sources determined as other than producers, own farm production, or other handlers, the market administrator, in determining the net pool obligation of the handler, pursuant to § 931.9 (a), shall consider such milk or the milk equivalent of such butterfat as Class III milk. If the receiving handler sells or disposes of such milk or butterfat for other than Class III purposes, the market administrator shall add an amount equal to the difference between (1) the value of such milk or butterfat according to its utilization by the handler, and (2) the value at the Class III price. This provision shall not apply to milk or butterfat from sources determined as other than producers or handlers, if such handler can prove to the market administrator that such milk or butterfat was used for purposes which did not violate any regulations issued by the various health authorities in the marketing area.

(f) If a handler, after subtracting receipts from his own farm production, receipts from other handlers, and receipts from sources determined as other than producers, own farm production, or other handlers, has disposed of milk or butterfat in excess of the milk or butterfat which, on the basis of his reports, has been credited to his producers as having been delivered by them, the market administrator, in determining the net pool obligation of the handler, pursuant to § 913.9 (a), shall add an amount equal to the value of such milk or butterfat according to its utilization by the handler.

(g) If the shortest highway distance between a handler's plant, approved by an applicable health authority for the receiving of milk to be disposed of as milk or cream in the marketing area and located outside the marketing area and such handler's plant approved by an applicable health authority for the receiving of milk to be sold or disposed of as milk or cream in the marketing area and located within the marketing area, is lessened through a relocation of highways to less than 30 miles, the location differential which applied before the highway distance was lessened shall continue to apply.

§ 913.9 *Determination of uniform price to producers*—(a) *Net pool obligations of handlers.* Subject to the provision of § 913.8, the net pool obligation of such handler for milk received from producers during each delivery period shall be a sum of money computed for such delivery period by the market administrator as follows:

(1) Multiply the pounds of milk in each class, computed pursuant to § 913.6, by the class price and add together the resulting values;

(2) Add, if the average butterfat content of all milk received from producers is in excess of 3.8 percent, and deduct, if the average butterfat content of all milk received from producers is less than 3.8 percent, an amount equal to the total value of the butterfat differential applicable pursuant to § 913.7 (c);

(3) Subtract an amount equal to the total value of the location differential applicable pursuant to § 913.7 (d);

(4) Add an amount equal to the total values pursuant to § 913.8 (b), (c), (d), (e), and (f); and

(5) Deduct, if the average butterfat content of all milk purchased or received from producers is in excess of 3.8 percent, and add, if the average butterfat content of all milk purchased or received from producers is less than 3.8 percent, the total value of the butterfat differential applicable pursuant to § 913.11 (c).

(b) *Computation and announcement of the uniform prices.* The market administrator shall compute and announce the uniform price per hundredweight of milk received during each delivery period, in the following manner:

(1) For the delivery periods other than those of April, May, and June of each year: (i) Combine into one total the net pool obligations of all handlers, computed pursuant to (a) of this section, who made the reports prescribed by § 913.5 and who made the payments prescribed by § 913.11;

(ii) Add the amount of the location differentials applicable pursuant to § 913.11 (d);

(iii) Subtract the total amount to be paid pursuant to § 913.11 (a) (1) (ii);

(iv) Add an amount equal to one-half of the cash balance in the producer-settlement fund;

(v) Divide by a figure equal to the total hundredweight of milk delivered by producers less the hundredweight of milk represented pursuant to § 913.11 (a) (1) (ii) and which is included in these computations;

(vi) Subtract not less than 4 cents nor more than 5 cents per hundredweight of milk for the purpose of retaining in the producer-settlement fund a cash balance to provide against errors in reports and payments or delinquencies in payments by handlers. This result shall be known as the uniform price for such delivery period for the milk of producers containing 3.8 percent butterfat; and

(vii) On or before the 10th day after the end of such delivery period, mail to all such handlers and publicly announce (*a*) such of these computations as do not disclose information confidential pursuant to the act; (*b*) the blended price per hundredweight which is the result of these computations; (c) the Class III price; and (*d*) the butterfat differentials computed pursuant to § 913.7 (c) and § 913.11 (c).

(2) For the delivery periods of April, May, and June of such year: (i) Combine into one total the net pool obligations of all handlers, computed pursuant to (a) of this section, who made the reports prescribed by § 913.5 and who made the payments prescribed by § 913.11;

(ii) Add the amount of the location differentials applicable pursuant to § 913.11 (d);

(iii) Subtract the total amount to be paid pursuant to § 913.11 (a) (2) (ii);

(iv) Subtract the total amount to be paid pursuant to § 913.11 (a) (2) (iii);

(v) Add an amount equal to one-half of the cash balance in the producer-settlement fund;

(vi) Divide by a figure equal to the total hundredweight of milk delivered by graded producers less the hundredweight of milk represented pursuant to § 913.11 (a) (2) (ii) which is not in excess of the delivered bases of producers and which is included in these computations;

(vii) Subtract not less than 4 cents nor more than 5 cents per hundredweight of milk for the purpose of retaining in the producer-settlement fund a cash balance to provide against errors in reports and payments or delinquencies in payments by handlers. This result shall be known as the uniform price for base milk containing 3.8 percent butterfat received from producers during such delivery period; and

(viii) On or before the 10th day after the end of such delivery period, mail to all such handlers and publicly announce (*a*) such of these computations as do not disclose information confidential pursuant to the act; (*b*) the blended price per hundredweight which is the result of these computations; (*c*) the Class III price; and (*d*) the butterfat differentials computed pursuant to § 913.7 (c) and § 913.11 (c).

§ 913.10 *Base ratings*—(a) *Determination of base.* For the delivery periods of April, May, and June of each year, the base of each producer shall be a quantity of milk calculated by the market administrator in the following manner: multiply the applicable figure computed pursuant to (b) (1), (b) (2), or (b) (3) of this section adjusted by (c) of this section by the number of days during such delivery period on which milk was received from such producer.

(b) *Determination of daily base.* (1) Effective for the delivery periods of April, May, and June of each year, the daily base of each producer, who regularly delivered milk to a handler during the entire next previous delivery periods of October, November, December, and January, shall be computed by the market administrator from reports submitted by the handlers pursuant to § 913.5, or from the best information available in the following manner:

(i) Determine for each producer who regularly delivered milk to a handler during the entire next previous delivery periods of October, November, December, and January, the average daily delivery of milk to a handler for the period from the next previous October 1 to and including January 31.

(2) Effective for the delivery periods of April, May, and June of each year, the daily base of each producer who did not regularly deliver milk to a handler during the entire next previous delivery periods of October, November, December, and January but who began deliveries of milk to a handler subsequent to October 1 and previous to March 1, shall be computed by the market administrator from reports submitted by the handlers pursuant to § 913.5, or from the best information available in the following manner:

(i) Determine for each such producer, the average daily delivery of milk to a

handler, for each delivery period of April, May, and June, and (ii) multiply by 70 percent.

(3) In case a handler who distributes within the marketing area milk of his own production ceases to act as a handler and begins regular deliveries of milk to a handler, the daily base of such producer shall be computed by the market administrator in the following manner: Determine the average daily Class I milk and Class II milk produced and disposed of during the three months next preceding the date of his ceasing to act as a handler.

(c) *Base rules.* (1) In case a producer sells or delivers to a handler milk not of his own production as being milk of his own production, the price to be received by such producer for all milk sold or delivered to a handler by such producer during such delivery period shall be the price for Class III milk for such delivery period pursuant to § 913.7 (a) (3) and such milk shall not be included in the computations pursuant to § 913.10 (b) (1) or § 913.10 (b) (2).

(2) A base of a producer may be transferred to the surviving spouse or a direct heir, upon written request of such spouse or heir to the market administrator on or before the 5th day following the delivery period when such transfer is to be effective and if accompanied by an affidavit with respect to such producer's death.

(3) A landlord who rents on a crop-share basis shall be entitled to the entire daily base to the exclusion of the tenant if the landlord owns the entire herd. Likewise, the tenant who rents on a crop-share basis shall be entitled to the entire daily base to the exclusion of the landlord if the tenant owns the entire herd. If the cattle are jointly owned by tenant and landlord, the daily base shall be divided between the joint owners according to the ownership of the cattle, if and when such joint owners terminate the tenant and landlord relationship.

(4) A producer, whether landlord or tenant of a farm, may retain his base when moving his entire herd of cows from one farm to another farm: *Provided*, That at the beginning of tenant and landlord relationship the allotted base of each tenant and landlord shall be combined base and may be divided only if such relationship is terminated.

§ 913.11 *Payments for milk*—(a) *Time and method of payment.* On or before the 12th day after the end of each delivery period, each handler shall make payment, after deducting the amount of the payment made pursuant to (b) of this section, for not less than the total value of milk of producers received by such handler during such delivery period, computed according to § 913.9 and subject to the differentials set forth in (c) and (d), respectively, of this section as follows:

(1) For the delivery periods other than those of April, May, and June of each year: (i) To producers, subject to (ii) of this subparagraph, at the uniform price per hundredweight computed pursuant to § 913.9 (b) (1), for the total quantity of milk received from such producers; and (ii) to producers, pursuant to § 913.10 (c) (1), at the price per hundredweight for Class III milk, computed pursuant to § 913.7 (a) (3), for the total quantity of milk received from such producers.

(2) For the delivery periods of April, May, and June of each year: (i) To producers, subject to (ii) of this subparagraph, at the uniform price per hundredweight computed pursuant to § 913.9 (b) (2), for that quantity of milk received from such producers, not in excess of their respective bases;

(ii) To producers pursuant to § 913.10 (c) (1) at the price per hundredweight for Class III milk, computed pursuant to § 913.7 (a) (3), for the total quantity of milk received from such producers; and

(iii) To producers, at the price per hundredweight for Class III milk, computed pursuant to § 913.7 (a) (3), for that quantity of milk received from such producers in excess of their respective bases.

(b) *Half delivery period payments.* On or before the 25th day of each delivery period, each handler shall make payment to each producer for the approximate value of the milk of such producer which, during the first 15 days of such delivery period, was received by such handler.

(c) *Butterfat differential.* If, during the delivery period, any handler has purchased or received from any producer milk having an average butterfat content other than 3.8 percent, such handler, in making the payments prescribed in (a) of this section, shall add to the prices per hundredweight for such producer for each one-tenth of 1 percent of average butterfat content in milk above 3.8 percent not less than, or shall subtract from such prices for such producer for each one-tenth of 1 percent of average butterfat content in milk below 3.8 percent not more than, an amount computed as follows: add 4 cents to the average price of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received, and divide the resulting sum by 10.

(d) *Location differentials.* For milk received from producers, at plants approved by any applicable health authority for the receiving of milk to be sold or disposed of as milk or cream in the marketing area and located outside the marketing area but more than 30 miles by the shortest highway route from such handler's plant approved by an applicable health authority for the receiving of milk to be sold or disposed of as milk or cream in the marketing area and located within the marketing area, each handler, in making payments pursuant to (a) (1) of this section shall deduct, with respect to all milk except milk subject to (a) (1) (ii) of this section received from such producers, and in making payments pursuant to (a) (2) of this section, shall deduct, with respect to all base milk except subject to (a) (2) (ii) of this section received from such producers, the amount per hundredweight specified for the distance of such plant located outside the marketing area from such handler's plant located within the marketing area, as follows: Not more than 45 miles, 17 cents per hundredweight; for each additional 10 miles or fraction thereof up to 75 miles, an additional 1½ cents per hundredweight; and for each additional 10 miles or fraction thereof beyond 75 miles, an additional ½ cent per hundredweight.

(e) *Additional payments.* Any handler may make payment to producers in addition to the payments to be made pursuant to (a) of this section: *Provided*, That such additional payments shall be unifom as among all producers for milk of the same grade and quality.

(f) *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to (g) and (i) of this section and out of which he shall make all payments to handlers pursuant to (b) and (i) of this section: *Provided*, That the market administrator shall offset any payment due to any handler against payments due from such handler. Immediately after computing the uniform price for each delivery period, the market administrator shall compute the amount by which each handler's net pool obligation, including the payments to producers which are required to be made pursuant to § 913.8, is greater or less than the sum obtained by multiplying the hundredweight of milk of producers by the appropriate prices required to be paid producers by handlers pursuant to (a) (1) and (a) (2) of this section and adding together the resulting amounts, and shall enter such amount on each handler's account as such handler's pool debit or credit, as the case may be, and render such handler a transcript of his account.

(g) *Payments to the producer-settlement fund.* On or before the 12th day after the end of each delivery period each handler shall make full payment to the market administrator of any pool debit balance shown on the account rendered, pursuant to (d) of this section, for such delivery period.

(h) *Payments out of the producer-settlement fund.* On or before the 12th day after the end of each delivery period, the market administrator shall pay to each handler the pool credit balance shown on the account rendered, pursuant to (d) of this section, if any, for such delivery period, less any unpaid obligations of the handler. If at such time the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available. No handler, who, on the 12th day after the end of each delivery period, has not received the balance of the payment due him from the market administrator shall be deemed to be in violation of (a) of this section if he reduces his total payments uniformly to all producers by not more than the amount of the reduction in payment from the producer-settlement fund. Nothing in this paragraph shall abrogate the right of a cooperative as-

sociation to make payment to its member producers in accordance with the payment plan of such cooperative association.

(i) *Adjustment of errors in payments.* Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments to the producer-settlement fund pursuant to (g) of this section, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 5 days of such billings, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler pursuant to (h) of this section the market administrator shall, within 5 days, make such payment to such handler or offset any such payment due to any handler against payments due from such handler. Whenever verification of the market administrator of the payment by a handler to any producer, for milk purchased or received by such handler, discloses payment to such handler, discloses payment to such producer of less than is required by this section, the handler shall make up such payment to the producer not later than the time of making payment to producers next following such disclosure.

§ 913.12 *Marketing services*—(a) *Deductions for marketing services.* Except as set forth in (b) of this section, each handler shall deduct 3 cents per hundredweight from the payments made to each producer pursuant to § 913.11 (a) (1) and (a) (2), with respect to all milk of such producer purchased or received by such handler during the delivery period, and shall pay such deductions to the market administrator on or before the 12th day after the end of such delivery period. Such moneys shall be expended by the market administrator for market information to, and for the verification of weights, sampling, and testing of milk received from, said producers.

(b) *Producers' cooperative associations.* In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act," is actually performing the services set forth in paragraph (a) of this section, each handler shall make the deductions from the payments to be made pursuant to § 913.11 (a) (1) and (a) (2), which are authorized by such producers, and, on or before the 12th day after the end of each delivery period, pay over such deductions to the associations of which such producers are members.

§ 913.13 *Expense of administration*—(a) *Payments by handlers.* As his pro rata share of the expense of the administration hereof, each handler who purchased or received milk from producers, with respect to all milk received from producers during the delivery period, shall pay to the market administrator, on or before the 12th day after the end of such delivery period, an amount not exceeding 2 cents per hundredweight, which amount shall be determined by the market administrator, subject to review by the Secretary.

(b) *Suits by the market administrator.* The market administrator may maintain a suit in his own name against any handler for the collection of such handler's pro rata share of expenses set forth in this section.

§ 913.14 *Effective time, suspension, or termination*—(a) *Effective time.* The provisions hereof, or any amendment hereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to (b) of this section.

(b) *Suspension or termination.* The Secretary may suspend or terminate this order, or any provision hereof, whenever he finds that this order, or any provision hereof, obstructs, or does not tend to effectuate the declared policy of the act. This order shall terminate, in any event, whenever the provisions of the act authorizing it cease to be in effect.

(c) *Continuing power and duty of the market administrator.* If, upon the suspension or termination of any or all provisions hereof, there are any obligations arising hereunder the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination; *Provided,* That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons, or agency as the Secretary may designate.

(1) The market administrator, or such other person as the Secretary may designate, shall (i) continue in such capacity until removed by the Secretary, (ii) from time to time account for all receipts and disbursements and, when so directed by the Secretary, deliver all funds or property on hand together with the books and records of the market administrator, or such person, to such person as the Secretary may direct, and (iii) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

(d) *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions hereof, the market administrator, or such person as the Secretary may designate, shall liquidate, if so directed by the Secretary, the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions hereof, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 913.15 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States, or name any bureau or division of the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions hereof.

Issued at Washington, D. C. this 23d day of February 1943, to be effective on and after the 4th day of March 1943. Witness my hand and the official seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

Approved: February 25, 1943.

JAMES F. BYRNES,
Director of Economic Stabilization.

[F. R. Doc. 43-3224; Filed, March 1, 1943; 11:27 a. m.]

Chapter X—Food Production Administration

[Amendment 1 to Food Production Order 6 [1]]

PART 1215—SEED AND GRASSES

RESTRICTIONS ON TRANSFER OF BERMUDA AND CARPET GRASS SEEDS

Section 1215.1 is amended by adding to paragraph (b) a new subparagraph (4), and by adding a new paragraph (k), as set forth below:

(b) *Restrictions.* * * *

(4) Any person may transfer thresher-run Bermuda grass seed or thresher-run carpet grass seed to an established seed dealer.

(k) *Effective dates of amendments.* (1) Amendment No. 1 (§§ 1215.1 (b) (4) and 1215.1 (k) (1)) to Food Production Order No. 6 shall become effective March 2, 1943.

(E.O. 9280, 7 F.R. 10179)

Done at Washington, D. C. this 27th day of February 1943. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-3219; Filed, March 1, 1943; 11:27 a. m.]

[Food Production Order 9]

PART 1220—OILSEEDS

INVENTORY LIMITATION OF OILSEED MEAL

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, and to assure an adequate production of food to meet war and civilan needs; *It is hereby ordered,* That:

§ 1220.2 *Inventory limitation of oilseed meal*—(a) *Definitions.* For the purposes of this order:

[1] 8 F.R. 903.

(1) "Oilseed meal" means cottonseed oil meal or cake, soybean oil meal or cake, peanut oil meal or cake, and linseed oil meal or cake.

(2) "Fifteen days' supply" means the total tonnage of any oilseed meal which, based on his current method and rate of operation, is needed by a person to fill his manufacturing, sales, or consumption requirements during the period of fifteen days next succeeding the estimated delivery date of oilseed meal covered by a purchase order, such delivery date to be determined by adding to the date of shipment specified in the purchase order therefor the usual number of days required for transit from shipping point to destination.

(3) "Purchase order" means any contract or offer to purchase, any agreement to acquire by exchange, any request for shipment or delivery under existing contracts, or any other action heretofore or hereafter taken by any person to obtain delivery of oilseed meal.

(4) "Delivery date inventory" means that quantity of oilseed meal determined by deducting from the inventory on hand at the time the purchase order is placed the quantity which, based on his current method and rate of operation, the purchaser will use in meeting his manufacturing, sales, or consumption requirements between the date on which the purchase order is placed and the estimated delivery date of such oilseed meal, such delivery date to be determined by adding to the date of shipment specified in the purchase order therefor the usual number of days required for transit from shipping point to destination.

(5) "Person" means any individual, partnership, corporation, association, or any other organized group of "persons," and shall include any agent, agency, or any "person" acting for or on behalf of any of the foregoing.

(6) "Processor" means any "person" operating a processing plant for producing any oilseed meal.

(7) "Director" means the Director of Food Production, or, in his absence, the Acting Director of Food Production.

(b) *Inventory limitation.* Beginning with the effective date of this order and ending on April 30, 1943, no person, other than a processor, shall (1) place any purchase order for any oilseed meal if the tonnage ordered, taken in conjunction with his delivery date inventory and any other unfilled purchase orders placed by him, would exceed a fifteen days' supply of such oilseed meal, as defined in paragraph (a) hereof, or (2) accept delivery of any oilseed meal to the extent that the tonnage delivered, taken in conjunction with his inventory on hand at the time of delivery, would exceed the total tonnage of such oilseed meal which, based on his current method and rate of operation, is needed by him to fill his manufacturing, sales, or consumption requirements during the next succeeding fifteen-day period: *Provided,* That the foregoing inventory limitation (i) shall not restrict purchases of oilseed meal by any person in minimum carload lots, as determined pursuant to Office of Defense Transportation regulations, if such purchases are made in quantities and at intervals which are in accordance with purchases regularly made by such person, (ii) shall not restrict purchases by any person of oilseed meal in quantities of 1,000 pounds or less if such purchases are made in quantities and at intervals which are in accordance with purchases regularly made by such person, and (iii) shall not restrict purchases by any ranchman of oilseed meal if such purchases are made in quantities and at intervals which are in accordance with purchases regularly made by such ranchman, and such purchases are necessary for economical use of transportation facilities under Office of Defense Transportation regulations and to provide a readily available supply of oilseed meal for ranch feeding purposes.

(c) *Limitation on sales or deliveries.* Beginning with the effective date of this order and ending on April 30, 1943, no person shall sell or deliver oilseed meal to any person unless the person to whom such oilseed meal is to be sold or delivered shall accompany his purchase order therefor with a certificate in substantially the following form:

The undersigned certifies to his vendor and the Director of Food Production that he is familiar with the provisions of Food Production Order No. 9 issued by the Secretary of Agriculture on February 27, 1943, and that the fulfillment of the purchase order to which this certificate is annexed will not cause his inventory of oilseed meal to exceed the quantity permitted by such Food Production Order No. 9, or such purchase falls under one of the exceptions specified in such Food Production Order No. 9.

Purchaser

Date

Address

(d) *Processors' inventories.* Beginning with the effective date of this order and ending on April 30, 1943, if on the last day of any month the inventory of oilseed meal which any processor has acquired by crushing or otherwise exceeds the quantity acquired by crushing or otherwise during the five day period immediately preceding the end of such month or his inventory of oilseed meal on the last day of the corresponding month of the calendar year 1942, whichever quantity is greater (such quantity being hereinafter referred to as the processor's permissible inventory), such processor shall not during the succeeding month acquire any oilseed meal by crushing or otherwise until or unless his inventory of oilseed meal has been reduced to the processor's permissible inventory.

(e) *Records and reports.* Every person subject to this order shall maintain for not less than two years accurate records concerning all sales, purchases, contracts for sale or purchase, and deliveries of oilseed meal affected by this order. Every person subject to this order shall also maintain such other records, execute and file such reports, upon such forms, and submit such information as the Director of Food Production may from time to time request or direct, and within such time as he may prescribe, subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(f) *Audits and inspections.* Every person subject to this order shall, upon request, permit inspection at all reasonable times by duly authorized representatives of the Department of Agriculture of his stocks of oilseeds and oilseed meal and of the premises used for crushing, processing, manufacturing, or storing the same; and all of his books, records and accounts shall, upon request, be submitted to audit and inspection by duly authorized representatives of the Department of Agriculture.

(g) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may apply in writing for relief to the Director setting forth all pertinent facts and information and the nature of the relief sought. The Director, upon the basis of such application and other information, may take such action as he deems appropriate. The decision of the Director shal' be in writing and shall be final and conclusive.

(h) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, or who conspires with another to perform any of such acts, is guilty of a crime and upon conviction may be punished by fine and imprisonment. In addition, any such person may by administrative suspension order be prohibited from receiving any deliveries of or selling or otherwise disposing of or using any oilseed meal or any other material now or hereafter authorized to be rationed or allocated by, or subject to the priority control of, the Secretary of Agriculture, and may be deprived of any priority assistance. Further, the Director of Food Production may recommend to the Office of Price Administration or to the War Production Board that any person who violates any provision of this order or any amendment or supplement thereto be denied the right to receive, use, sell or otherwise dispose of any other materials which now are or in the future may be under allocation.

(i) *Communications.* All reports required to be filed hereunder and all communications concerning this order shall, unless instructions to the contrary are issued, be addressed to the United States Department of Agriculture, Food Production Administration, Washington, D. C., Ref. FPA 9.

(j) *Exercise of authority conferred.* The Director of Food Production may delegate any or all of the authority herein conferred upon the Director to such employees of the Department of Agriculture as he may designate.

(k) *Commodity Credit Corporation Oilseed Order No. 6 superseded.* This order supersedes in all respects Oilseed Order No. 6 issued by the Commodity Credit Corporation on December 24, 1942 (7 F.R. 10901), as amended by Amendment No. 1 issued on January 2, 1943

(8 F.R. 44), and as amended by Amendment No. 2 issued on January 14, 1943 (8 F.R. 820), except that, as to violations of said order, as amended, or rights accrued, liabilities incurred, or appeals taken under said order, as amended, prior to the effective date hereof, said Oilseed Order No. 6, as amended, shall be deemed in full force and effect for the purpose of sustaining any proper suit, action or other proceeding with respect to any such violation, right or liability. Any appeal pending under said Oilseed Order No. 6, as amended, shall be considered under paragraph (g) hereof.

(l) *Approval by the Bureau of the Budget.* The record keeping and reporting requirements in this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(m) *Effective date.* This order shall become effective 12:01 a. m., e. w. t., March 1, 1943.

(E.O. 9280, 7 F.R. 10179)

Done at Washington, D. C., this 27th day of February 1943. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-3166; Filed, February 27, 1943; 11:41 a. m.]

Chapter XI—Food Distribution Administration

[Food Distribution Order 23, Amendment 1]

PART 1465—FISH

SALE OF SPECIFIED CANNED FISH

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, and to assure an adequate supply and efficient distribution of canned fish to meet war and essential civilian needs, Food Distribution Order No. 23 (8 F.R. 2250) issued by the Secretary of Agriculture of the United States on February 19, 1943, is hereby amended as follows:

1. By deleting the words and figures "February 28, 1943", wherever the same appear in §§ 1465.11 (a) (2) and 1465.11 (b) (1) of said Food Distribution Order No. 23, and by inserting, in lieu thereof, the words and figures "March 31, 1943."

2. By deleting the last sentence in § 1465.11 (b) (3) of said Food Distribution Order No. 23 and by inserting, in lieu thereof, the following:

The following quota periods are hereby established: Period No. 1 is from March 1, 1942, to February 28, 1943; and Period No. 2 is the month of March 1943.

The provisions of this amendment shall take effect on the date of issuance hereof.

(E.O. 9280, 7 F.R. 10179)

Issued this 27th day of February 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-3222; Filed, March 1, 1943; 11:28 a. m.]

[Revocation of Food Distribution Order 24]

PART 1425—CANNED AND PROCESSED FOODS

TERMINATION OF ORDER PLACING RESTRICTIONS ON THE MANUFACTURE AND SALE OF CANNED FRUITS AND VEGETABLES

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, *It is hereby ordered,* As follows:

That Food Distribution Order No. 24, order restricting the manufacture and sale of canned fruits and vegetables (8 F.R. 2321), issued by the Secretary of Agriculture of the United States on February 20, 1943, be, and the same is hereby, terminated at 12:01 a. m., e. w. t., March 1, 1943.

With respect to violations of said Food Distribution Order No. 24, or rights accrued, liabilities incurred, or appeals taken under said Food Distribution Order No. 24 prior to the effective time of the termination of said order, said Food Distribution Order No. 24 shall be deemed to be in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, or liability.

Issued this 27th day of February 1943.

(E.O. 9280, 7 F.R. 10179)

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-3220; Filed, March 1, 1943; 11:28 a. m.]

[Food Distribution Order 25]

PART 1433—COCOA BEANS

CONSERVATION AND DISTRIBUTION OF COCOA BEANS AND COCOA PRODUCTS

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, and to assure an adequate supply and efficient distribution of cocoa beans and cocoa products to meet war and essential civilian needs, *It is hereby ordered,* As follows:

§ 1433.1 *Restrictions on use of cocoa beans and cocoa products*—(a) *Definitions.* When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent thereof:

(1) The term "person" means any individual, partnership, corporation, association, or other business entity.

(2) The term "process" means the subjection of cocoa beans to any grinding, pressing, or other operation.

(3) The term "novelty item" means any candy piece manufactured in a special shape commemorating, symbolizing, or representing any holiday, event, person, animal, or object.

(4) The term "Director" means the Director of Food Distribution, United States Department of Agriculture, or any employee of the United States Department of Agriculture designated by such Director.

(b) *Restrictions.* (1) Except as otherwise permitted in this order, no person shall process more cocoa beans during any quota period than his quota thereof for that period, such quota and quota period to be determined by the Director from time to time.

(2) Any person who processes cocoa beans shall sell the products resulting from such processing equitably to purchasers and shall neither favor purchasers who buy other products from him nor discriminate against purchasers who do not buy other products from him.

(3) In the event that any person has had, or has, cocoa beans owned by him processed for his account by some other person, he shall, for the purpose of computing his quota hereunder and charges thereto, consider such cocoa beans as though processed by him.

(4) Notwithstanding the foregoing restrictions, any person may, except as provided by the provisions of (b) (5) hereof, process such amount of cocoa beans, without charge to his quota, as may be necessary to provide him or any other person with material to fill actual orders with or for any of the following persons:

(i) The Army, Navy, Marine Corps, Coast Guard, War Shipping Administration, Defense Supplies Corporation, Veterans Administration hospitals and homes, or any other governmental agency designated by the Director, or any other agency of the United States Government for supplies to be delivered to, or for the account of, the government of any country pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

(ii) The American National Red Cross or the United Service Organizations, Inc.

(iii) Any person for retail sale through concession restaurants at Army, Navy, Marine Corps, or Coast Guard camps or through outlets not operated for private profit and established primarily for the use of Army, Navy, Marine Corps, or Coast Guard personnel within or on Army, Navy, Marine Corps, or Coast Guard establishments or vessels, including post exchanges, sales commissaries, officers' messes, servicemen's clubs, and ship service stores.

(5) In the event that any person processes any cocoa beans for the purpose of securing material to fill a quota-exempt order of the class mentioned in (b) (4) hereof, and such processing also yields additional and different material not needed to fill such order, such person is accountable for such additional and different material if he subsequently receives another quota-exempt order requiring the use of such material; and he may process other cocoa beans without charge to his quota to supply the material needed to fill such subsequent quota-exempt order only if and to the extent that the quantity of material for which such person is so accountable is insufficient to fill such subsequent quota-exempt order.

(6) All quotas hereunder shall be calculated quantitatively in terms of pounds.

(7) During any quota period, any person who processes cocoa beans may utilize not more than one-tenth of his quota for the preceding quota period, if the

portion of the quota so carried over was not utilized by him during such preceding quota period.

(8) On and after the effective date of this order, no person shall accept delivery of or use, in connection with production for sale, any material produced from cocoa beans for any of the following purposes:

(i) Manufacturing chocolate shot,

(ii) Manufacturing hollow-molded novelty items,

(iii) Manufacturing solid chocolate novelty items,

(iv) Partially or wholly coating novelty items,

(v) Partially or wholly coating miniature candy pieces weighing, when coated, less than 1/60th of a pound, except all-nut (glazed or unglazed), all-peanut, or all-fruit (fresh, dried, or preserved) pieces, and

(vi) Applying chocolate decoration (other than "'stringing"), by spray-gun, pastry-bag, or other methods, to chocolate-coated candy pieces.

(9) No person shall deliver any material produced from cocoa beans to any other person with knowledge or reason to believe that such other person is not entitled, pursuant to the provisions of (b) (8) hereof, to accept delivery thereof.

(c) *Records and reports.* Every person subject to this order shall maintain such records for at least two years (or for such other periods of time as the Director may designate), and shall execute and file such reports upon such forms and submit such information as the Director may from time to time request or direct, and within such times as he may prescribe.

(d) *Audits and inspections.* Every person subject to this order shall, upon request, permit inspections, at all reasonable times, of his stocks of cocoa beans and cocoa products and premises used in his business, and all of his books, records, and accounts shall, upon request, be submitted to audit and inspection, by the Director.

(e) *Applicability of order.* This order applies to all cocoa beans which, on May 11, 1942, were in, or were thereafter brought into, the continental United States (excluding the Canal Zone and Alaska).

(f) *Violations.* Any person who wilfully violates any provision of this order or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this order or wilfully conceals a material fact concerning a matter within the jursdiction of any Department or agency of the United States may be prohibited from receiving or making further deliveries of any material subject to allocation and such further action may be taken against him as the Director deems appropriate, including recommendations for prosecution under section 35a of the Criminal Code (18 U.S.C. 1940 ed. 80), under paragraph 5 of section 301 of Title III of the Second War Powers Act, and under any and all other applicable laws.

(g) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may petition in writing (in triplicate) for relief to the Director, setting forth all pertinent facts and the nature of the relief sought. The Director may thereupon take such action as he deems appropriate, and such action shall be final.

(h) *Communications to Department of Agriculture.* All reports required to be filed thereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: Director of Food Distribution, United States Department of Agriculture, Washington, D. C., Ref. F D–25.

(i) *Conservation Order M–145 superseded.* This order supersedes in all respects Conservation Order M–145 of the War Production Board, as amended December 5, 1942 (7 F.R. 10213) and as supplemented June 25, 1942, (7 F.R. 4761) except that as to violations of said order or rights accrued, liabilities incurred, or appeals taken under said order prior to the effective date hereof, said Conservation Order M–145, as amended and supplemented, shall be deemed in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, or liability. Any appeal pending under said Conservation Order M–145, as amended and supplemented, shall be considered under the provisions of (g) hereof.

(E.O. 9280, 7 F.R. 10179)

Issued this 27th day of February 1943

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43–3221; Filed, March 1, 1943; 11:28 a. m.]

[Director Food Distribution Order 25–1]

PART 1433—COCOA BEANS

QUOTAS AND RECORDS IN CONNECTION WITH COCOA BEANS PRESCRIBED

Pursuant to the authority vested in me by Food Distribution Order No. 25 (*supra*), dated February 27, 1943, issued pursuant to Executive Order No. 9280, dated December 5, 1942, and to effectuate the purposes of such orders, *It is hereby ordered,* As follows:

§ 1433.2 *Quotas and records in connection with cocoa beans.* (a) The quota of cocoa beans for processing by any person shall be, for the three-month period commencing January 1, 1943, and for each subsequent three-month period until otherwise ordered, 60% of the total amount of cocoa beans processed by such person during the corresponding three-month period of 1941.

(b) Every person who processes cocoa beans shall keep and maintain, for a period of not less than two years, records which, upon examination, will disclose his total monthly inventory of cocoa beans, the amount of cocoa beans processed by him each month, and his monthly use of the products resulting from such processing.

(c) This order shall take effect upon its issuance.

(E.O. 9280, 7 F.R. 10179; F.D.O. No. 25)

Issued this 27th day of February 1943.

ROY F. HENDRICKSON,
Director of Food Distribution.

[F. R. Doc. 43–3223; Filed, March 1, 1943; 11:28 a. m.]

[Food Directive 4]

PART 1400—DELEGATIONS OF AUTHORITY

RATIONING OF FOOD IN ALASKA AND HAWAII

Pursuant to the authority vested in me by Executive Order No. 9280 of December 5, 1942, and in order to enable the Office of Price Administration to undertake, administer, and enforce rationing programs with respect to food in the territories of Alaska and Hawaii, *It is hereby ordered,* As follows:

§ 1400.4 *Food Directive No. 4; control over food in Alaska and Hawaii.* (a) In order to permit the efficient rationing of all food in the territories of Alaska and Hawaii, all foods located in those territories are hereby declared to be rationed foods for the purposes of Food Directive No. 3 (8 F.R. 2005). The Office of Price Administration is authorized to exercise all the powers delegated to it by Food Directive No. 3, subject to the terms and conditions thereof with respect to all foods in the territories of Alaska and Hawaii.

(b) Neither this Directive No. 4, nor any action taken hereunder by the Office of Price Administration shall relieve any person from complying with the provisions of any order or regulation of the Secretary of Agriculture or of the Director of Food Distribution applicable to Alaska and Hawaii.

(c) This Food Directive No. 4 shall become effective February 27, 1943.

(E.O. 9280; 7 F.R. 10179)

Issued this 27th day of February 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43–3164; Filed, February 27, 1943; 11:41 a. m.]

[Food Distribution Order 14, Amendment 1]

PART 1461—OILSEEDS, FATS AND OILS

RESTRICTIONS ON PURCHASE AND SALE OF PEANUT OIL

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, Food Distribution Order No. 14, § 1461.18 (8 F.R. 1704), is amended by striking out paragraph (b) and inserting in lieu thereof the following:

(b) *Peanut oil reserved for Commodity Credit Corporation.* Notwithstanding existing contracts or commitments, every person who has entered into the Refiner Contract with the Commodity Credit Corporation shall tender to the Commodity Credit Corporation for pur-

chase pursuant to the terms of such Refiner Contract a quantity of crude peanut oil equal to at least twenty-five (25) per centum of the total quantity of crude peanut oil manufactured or received by him on or after February 5, 1943. Crude peanut oil purchased by the Commodity Credit Corporation up to and including a quantity equal to twenty-five (25) per centum of the total quantity of crude peanut oil manufactured or received by each such person on or after February 5, 1943, shall, unless otherwise determined by the Director, not be repurchased by such person, but shall be refined and stored, and insured by him for the account of the Commodity Credit Corporation, as provided in such Refiner Contract.

(E.O. 9280, 7 F.R. 10179)

Issued this 27th day of February 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-3165; Filed, February 27, 1943; 11:41 a. m.]

TITLE 10—ARMY: WAR DEPARTMENT

Chapter VIII—Procurement and Disposal of Equipment and Supplies

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

PART 83—DISPOSITION OF SURPLUS AND UNSERVICEABLE PROPERTY

MISCELLANEOUS AMENDMENTS

The following amendments and additions to the regulations contained in Part 81 and Part 83 are hereby prescribed. These regulations are also contained in War Department Procurement Regulations dated September 5, 1942 (7 F.R. 8082), as amended by Changes No. 10, January 18, 1943.[1] In section numbers the figures to the right of the decimal point correspond with the respective paragraph numbers in the procurement regulations.

APPLICABILITY OF REGULATIONS

Section 81.108 (e) is added as follows:

§ 81.108 *Applicability as to various activities.* * * *

(e) *Service commands.* These regulations are applicable to the procurement activities of the service commands. Where procurement is accomplished by a service command at the direction of the chief of a supply service or his duly authorized representative, the directions will contain references to the applicable paragraphs of the procurement regulations where appropriate. In such a case, for the purposes of these regulations, the procurement shall be regarded as procurement by the supply service concerned and the contract will be regarded as a contract of that supply service. In all other cases, the service command accomplishing the procurement shall act independently of any supply service and the term "supply service" and the term "service", as used in these regulations, shall be deemed to refer to the service commands and the term "chiefs of supply services" and "chiefs of services" shall be deemed to refer to the Commanding Generals of the Service Commands.

MISCELLANEOUS PROHIBITIONS

Paragraphs (a) and (b) of § 81.111 are amended and paragraph (c) is added to that section as follows:

Paragraphs (a) and (b) of § 81.111 are *terests of officers or civilian employees and their official duties*—(a) *Basic statute.* Section 41 of the United States Criminal Code (18 U.S.C. 93) provides as follows:

No officer or agent of any corporation, joint-stock company, or association, and no member or agent of any firm, or person directly or indirectly interested in the pecuniary profits or contracts of such corporation, joint-stock company, association, or firm, shall be employed or shall act as an officer or agent of the United States for the transaction of business with such corporation, joint-stock company, association, or firm. Whoever shall violate the provisions of this section shall be fined not more than $2,000 and imprisoned not more than two years.

(b) *Construction of basic statute.* The general language of section 41 of the United States Criminal Code has been the subject of interpretation from time to time by The Judge Advocate General and by the Attorney General. The Judge Advocate General has been careful to point out that the question of construction presented "involves the construction and application of criminal statutes concerning which the Federal courts alone can speak with final authority." However, the substance of certain of those opinions is set forth as an aid in the construction of the statute:

(1) In 14 Atty. Gen. 483, the Attorney General rendered an opinion concerning the use of a certain Army officer as a Liaison officer between a corporation and the War Department. It appeared that the officer was also an officer and stockholder in the corporation. In holding that the basic statute would be violated if the officer acted in that capacity, the Attorney General stated in part:

No man can serve two masters. The statute in question is clearly grounded on this assumption. Its manifest purpose is such that any attempt to reconcile it with the proposed employment runs into difficulties. Some of these difficulties are pointed out by The Judge Advocate General of the Army in his opinion on the question. Others are equally apparent.

No matter how high are the motives of the Army Officer who advises, he is likely as a realistic matter to be consciously or unconsciously influenced by the fact that his actions may benefit the corporation of which he is an officer and a stockholder. To a degree his salary as an officer of the corporation would be affected by whether his advice leads the War Department to enter into a procurement contract with his company. To a larger degree his share in the earnings of the corporation as a stockholder would be affected by his advice.

(2) In two recent opinions (SPJGA 210.4 and SPJGA 250.7) rendered respectively on May 22, 1942 and March 28, 1942, The Judge Advocate General concluded that a person holding stock in a corporation may be a "person directly or indirectly interested in the pecuniary costs or contracts of such corporation," within the meaning of the statute. It is to be emphasized, however, that these two opinions relate solely to that issue and do not constitute opinions on what constitutes the "transaction of business" with the corporation within the meaning of the statute. The construction of these words, as contained in the statute, was the subject of an opinion discussed in subparagraph (3) below.

(3) Under date of December 3, 1942 (SPJGA 1942/5702) the opinion of The Judge Advocate General was requested with respect to the employment of a person as head of an agency which would have complete charge of all phases of production of certain items which were purchased by the War and Navy Departments. The prospective head of the agency had been for some years an officer of a corporation which was one of the largest producers of the items with which the agency would be concerned, but at the time of the opinion was on leave of absence without pay. It appeared, however, that under a retirement system established by the corporation he would, if he lived to a specified age, become entitled to certain annual payments. It further appeared that there was an understanding that if the agency were called upon to transact business with the corporation in question, such transactions would be conducted by other officers or employees of the agency and that if questions were presented not capable of final decision by such other officers or employees, such questions would be referred to higher authority for decision. However, it also appeared that the head of the agency would be called upon to determine questions of general policy which would affect the corporation of which he was formerly an officer along with other producers. The Judge Advocate General concluded that section 41 of the Criminal Code would not be violated by the employment of such an individual as head of the agency.

(4) In an opinion dated February 3, 1923, the Acting Judge Advocate General throws further light on what constitutes transacting business within the meaning of section 41 of the Criminal Code. He had been requested to review the law in relation to the interest of the agents or officers of the United States in contracts with the United States with a view to the submission of proposed amendments thereto so as to permit the utilization of leading men in industry in an advisory capacity in connection with the planning and supervision of the procurement of war necessities. The opinion in part reads as follows:

The statute is to be strictly construed and criminality attaches only when an individual, being an officer, or member of a business concern or directly or indirectly interested in the profits of the concern is employed or acts as agent of the United States for the transaction of business with that concern. The Act contemplates the actual transaction of business. The negotiation of a tentative contract by an agent of the

[1] For previous changes see 7 F.R. 8163, 9268, 9660, 10184, 10247, 10640, 10906, and 8 F.R. 401, 411.

Government with a business concern in which that agent is an officer, member, or in which he is interested, although not binding upon either party until executed, in accordance with statutory authority and an appropriation sufficient for the fulfillment thereof, would probably be considered a violation of the statute if the performance of the contract was thereafter entered upon. For this reason, in the preparation of procurement plans, no person should be permitted to have a part as agent for the United States in the negotiation of tentative contracts with a concern of which he is an officer, agent or member, or in which he is pecuniarily interested. * * * it is considered that acting in a solely advisory capacity without actual participation in the negotiation or awarding of a contract or directing the awarding of a contract would not be a violation of Section 41 of the Federal Criminal Code.

(c) *Regulations supplementary to basic statute.* The following regulations supplementary to the statute set forth in paragraph (a) of this section are prescribed:

(1) No officer or employee of the War Department may act as an agent of the United States in advising, recommending, making or approving the purchase of supplies or other property, or in contracting therefor, if he would be admitted to share or receive directly or indirectly any pecuniary profit or benefit from such purchase or contract.

(2) No officer or civilian employee of the War Department shall be in direct charge of the negotiation of, or exercise authority for the final approval of, any contract with any corporation, joint-stock company, association or firm, if at any time during the period subsequent to December 7, 1936 such officer or civilian employee was employed by or engaged in a course of substantial non-Governmental business dealings with such corporation, joint-stock company, association or firm.

CONTRACTS

GENERAL

Section 81. 303 (c) is amended as follows:

§ 81.303 *General requirements for contracts.* * * *

(c) All purchase transactions other than those specified in subparagraphs (1) and (2) of paragraph (b) of this section may be evidenced by informal contracts. Such informal contracts will be of the type described in paragraph (a) (2) of this section except that contracts of either of the following classes may be of the type described in paragraph (a) (3) of this section:

(1) Contracts which involve a contract price of less than $100,000 and which require only one payment.

(2) Contracts covering purchases made at public auction, at a produce exchange, or under similar conditions.

AUTHORITY TO MAKE AWARDS, CONTRACTS, AND MODIFICATIONS THEREOF; REQUIRED APPROVALS

Section 81.304 (a) is amended as follows:

§ 81.304 *Definitions*—(a) *Standard forms of contract.* The phrase "standard forms of contract", as used in this section, includes:

(1) Forms of contract which may from time to time be approved for the general use of all supply services by the Chief, Legal Branch, Purchases Division, Headquarters, Services of Supply. The following contract forms are hereby approved for such use.

(i) United States Standard forms of contract, provided they comply with the requirements of §§ 81.322–81.361.

(ii) War Department Contract Form No. 1, Lump Sum Supply Contract. (See § 81.1301.)

(iii) War Department Contract Form No. 2, Lump Sum Construction Contract. (See § 81.1302.)

(iv) War Department Contract Form No. 3, Fixed-Fee Construction Contract. (See § 81.1303.)

(v) War Department Contract Form No. 4, Fixed-Fee Architect-Engineer Contract. (See § 81.1304.)

(vi) War Department Contract Form No. 5, Short-Form Supply Contract (Negotiated). (See § 81.1305.)

(vii) War Department Contract Form No. 6, Offer and Acceptance. (See § 81.-1306)

(viii) War Department Contract Form No. 7, Letter Purchase Order. (See § 81.-1307)

(ix) War Department Contract Form No. 8, Letter Contract (Supplies). (See § 81.1308)

(x) War Department Contract Form No. 9, Letter Contract (Fixed-Fee Construction). (See § 81.1309)

(xi) War Department Contract Form No. 10, Letter Contract (Lump Sum Construction). (See § 81.1310)

(xii) War Department Contract Form No. 11, War Risk Indemnity Contract. (See § 81.1311)

(xiii) War Department Contract Form No. 12, Fixed-Fee Architect-Engineer-Construction-Management Services Contract. (See § 81.1312)

(xiv) War Department Contract Form No. 13, for contracts with War Supplies Limited. (See § 81.1313)

(2) Forms of contract, devised by a particular supply service to meet the needs of a recurrent situation of a special type, which may from time to time be approved by the Chief, Legal Branch, Purchases Division, Headquarters, Services of Supply, for the general use of that supply service. Any form of contract which was approved for the general use of a particular supply service of any time from July 1, 1942, to November 15, 1942, by the Director, Purchases Division, or the Chief, Legal Branch, Purchases Division, Headquarters, Services of Supply is hereby approved pursuant to this subparagraph (2), provided it complies with the requirements of §§ 81.322–81.361.

* * * * *

Sections 81.308a, 81.308b, and 81.308d are amended as follows:

§ 81.308a *Supplemental agreements and change orders not involving receipt of consideration.* Approval by the Director, Purchases Division, Headquarters, Services of Supply, will be required for each supplemental agreement or change order which does not involve the receipt by the Government of adequate legal consideration, or which modifies or releases an accrued obligation owing directly or indirectly to the Government including accrued liquidated damages or liability under any surety or other bonds. In every such case the supply service shall submit a full statement of the case and of the action recommended together with a finding by the supply service, adequately supported, that the prosecution of the war would be facilitated by the action recommended. The Director, Purchases Division, will signify his approval by manual execution of the supplemental agreement or change order, where such instrument is submitted, or where such instrument is not submitted, by memorandum, indorsement, letter or telegram in response to the request for approval.

§ 81.308b *Correction of mistakes.* Effecting amendment of contracts with the least possible delay to correct misunderstandings, mistakes, errors and ambiguities will facilitate the prosecution of the war by expediting the procurement program and by giving contractors proper assurance that mistakes, unavoidable in war program as large and extensive as that now in progress, will be corrected expeditiously and fairly. Accordingly, when in accordance with § 81.308a, a statement is submitted to the Director, Purchases Division, Headquarters, Services of Supply, in connection with the approval of a supplemental agreement to correct a misunderstanding, mistake, error or ambiguity in a contract, such statement shall contain a full recital of all the circumstances surrounding the execution of the supplemental agreement and copies of all relevant papers. The evidence submitted shall show that an error or mistake was made or that a misunderstanding or ambiguity exists, in what it consists and how it occurred, and where relevant the true intent of the parties. Approval of the Director, Purchases Division, will not be required in the case of any such supplemental agreement under which the Government receives adequate new legal consideration.

§ 81.308d *Ratification of prior action.* In any case where an existing War Department contract or any section of these Procurement Regulations requires that any action affecting a War Department contract be approved by a contracting officer, chief of a supply service or other representative of the War Department in advance of the taking of such action or that it be so approved in writing by a stated time, such action may be ratified in writing by such officer or representative of the War Department after such action has been taken or after such stated time. Such ratification will take effect retroactively as of the date specified in the written instrument of ratification. In general, cases which are appropriate for the exercise of the authority contained in this paragraph will fall into one of two categories, namely: (a) cases where, in the interest of expediting production and without obtaining the requisite prior approvals, action has been taken in reliance in good faith upon assurances of a person in authority, or (b) cases where the action taken with-

out such assurances was of a nature which would have been approved had approval been sought seasonably. The prosecution of the war will be facilitated by the liberal use of the authority contained in this section.

FORMALITIES IN CONNECTION WITH EXECUTION OF CONTRACTS AND MODIFICATIONS THEREOF

Section 81.309 (b) is amended as follows:

§ 81.309 *Numbering contracts.* * * *

(b) *System.* Contract numbers will be placed in the upper right-hand corner and will consist of the following in the order named:

(1) The capital letter "W", representing the War Department.

(2) Station number representing the station or office as published in Finance Circulars.

(3) In the case of contracts executed within a supply service, or in the case of contracts executed by a service command at the direction of a supply service with funds furnished by the supply service, a letter or letters representing the supply service. In the case of contracts executed within a service command which are to be paid with funds allotted to the service command by the Commanding General, Services of Supply, a letter or letters indicating which portion of the allotment is to be charged. Thus, if the portion of the allotment for Signal Corps Equipment is to be charged, the Signal Corps symbol should be used. The Chief of Finance will be promptly notified of any change in the letter symbol or of the adoption of a new symbol.

(4) A serial number, separated from the above by a hyphen, commencing with the number 1 and continuing in succession indefinitely without regard to the fiscal year. When the serial number reaches the limit of five digits (99,999), a new series will be used beginning with the serial number 1 and followed by the capital letter "A". Should additional series become necessary, they will be distinguished by the capital letters "B", "C", "D", etc., as may be required.

(5) In the case of contracts executed within a service command which are to be paid with funds allotted to the service command by the Commanding General, Services of Supply, some appropriate symbol in parenthesis to indicate the service command. To illustrate, contracts executed within the First Service Command might contain at the end of the contract number the designation "(S. C. 1)".

* * * * *

MANDATORY AND OPTIONAL CONTRACT PROVISIONS

A note is added to § 81.325 as follows:

§ 81.325 *Anti-discrimination clause.* Every contract, regardless of subject matter or amount, will contain the following clause without deviation:

Anti-discrimination. (a) The Contractor, in performing the work required by this contract, shall not discriminate against any worker because of race, creed, color, or national origin.

(b) The Contractor agrees that the provision of paragraph (a) above will also be inserted in all of its subcontracts. For the purpose of this article, a subcontract is defined as any contract entered into by the contractor with any individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, for a specific part of the work to be performed in connection with the supplies or services furnished under this contract: *Provided, however,* That a contract for the furnishing of standard or commercial articles or raw material shall not be considered as a subcontract.

NOTE: The foregoing clause, prohibiting discrimination against workers because of "national origin," is construed as prohibiting discrimination based on non-citizenship as well as discrimination based on country of origin.

Section 81.329a is added as follows:

§ 81.329a *"Changes" article for supply contracts.* In any case where it is desired to include in a supply contract a provision giving the Contracting Officer power by change order to increase or decrease, within stated percentage limits, the quantity of articles called for by the contract, the following article relating to changes may be used instead of an article in the form set forth in § 81.1301(b):

ARTICLE * * * *Changes.* Where the supplies to be furnished are to be specially manufactured in accordance with drawings and specifications, the Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings or specifications. There may also be made as above provided (a) changes as to shipment and packing of all supplies and (b) increases or decreases in the quantity of supplies to be furnished hereunder, the total increase or decrease not, however, to exceed --% of the quantity of supplies deliverable hereunder. If such changes cause an increase or decrease in the amount of work due under this contract, or in the time required for its performance, an equitable adjustment shall be made which adjustment may include in any instance an adjustment (a) in the purchase price, including (but not limited to) any adjustment in unit price fair in the light of any change in volume caused by such order, and (b) in the delivery time or schedule, or in either the price or delivery schedule, and the contract shall be modified in writing accordingly. Any claim for adjustment under this article must be asserted within 30 days from the date the change is ordered: *Provided, however,* That the Contracting Officer, if he determines that the facts justify such action, may receive, consider and adjust any such claim asserted at any time prior to the date of final settlement of the contract. If the parties fail to agree upon the adjustment to be made the dispute shall be determined as provided in Article * * * (Disputes) hereof. But nothing provided in this Article shall excuse the Contractor from proceeding with the contract as changed.

When the article set forth in § 81.1301 (b) is used, the fourth sentence of the article set out above may be used, at the discretion of the Contracting Officer, in lieu of the third sentence of the article set forth in § 81.1301 (b).

Section 81.338 is amended as follows:

§ 81.338 *Plant protection clauses.* In those cases where it is deemed necessary to insert a clause providing for reimbursement for plant protection, the contract will contain an article substantially similar to one of those set forth below. Such an article will not normally be necessary in construction contracts.

Plant protection. The Contractor shall maintain in and about his plant adequate plant protective devices and shall employ such watchmen, guards and other personnel as the Contracting Officer may deem necessary to prevent espionage, sabotage, and other malicious destruction or damage.

Plant protection. (a) The Contractor and each Subcontractor, at his own expense, at all times during the term of this contract, or any subcontract hereunder, shall continue all such precautions for the guarding and protection of his plant, property and work in process, as immediately prior to the date of this contract have been taken by the Contractor or Subcontractor for the protection of the plant, and shall make available such information with respect thereto as the Contracting Officer may request.

(b) The Contractor agrees to furnish the authorized Security and Safety personnel of the War Department with a survey of the existing internal security system at the Contractor's plant. The Contractor agrees, at his own expense, to make the changes set forth in Appendix ____ hereto annexed and made a part hereof to cause his existing internal security system to comply with the regulations of _____ in-
(Chief of Supply Service)
cluding the recommendations made by the appropriate War Department Internal Security personnel.

(c) At any time during the term of this contract, the Contracting Officer or his duly authorized represenetative may require the Contractor or Subcontractor to install and maintain in and about the plant additional potective devices, equipment and personnel. The Contractor and each Subcontractor shall submit promptly to the Contracting Officer or his duly authorized representative, for prior approval as to estimated cost, detailed inventories, including the estimated cost of each item of protective devices or equipment so required to be installed and of installing the same and a detailed estimate of the cost of maintaining any such additional protective devices or equipment and personnel.

(d) The Contractor or Subcontractor shall be reimbursed, upon the submission of a voucher approved by the Contracting Officer or his duly authorized representative, the invoice price of the additional plant protective devices or equipment so required pursuant to Paragraph (c) hereof. In addition the Contractor or Subcontractor shall be reimbursed the reasonable cost of installing such additional plant protective devices or equipment. Such reasonable cost shall include only transportation to the Contractor's or Subcontractor's plant, direct labor, and direct material necessary for the installation of the additional plant protective devices or equipment. The Government shall not be under obligation to make reimbursement of total cost of such additional plant protective devices or equipment and of installing the same in excess of the estimate approved in advance by the Contracting Officer unless payment of such excess shall be approved or ratified by the Contracting Officer as reasonable. If the Contracting Officer and the Contractor or Subcontractor, as the case may be, are able to agree upon the amount of the cost of such additional devices or equipment, such sum shall be the amount to be reimbursed hereunder.

(e) Title to all plant protective devices and equipment added under Paragraph (c) of this Article shall be in the Government. The Contractor or Subcontractor, during the term of this contract or any extension thereof or

during the term of the Subcontract or any extension thereof, at his own expense, shall maintain and keep in good condition and repair all such protective devices and equipment. If such protective devices and equipment are to be installed on premises leased by the Contractor, the Contractor shall take appropriate steps to preserve the Government's right to remove such property pursuant to Paragraph (g) of this Article.

(f) The _____ or his duly
(Chief of Supply Service)
authorized representative, and authorized plant protection personnel of the War Department, at all times during the performance of this Contract or any extension thereof, or during the term of the Subcontract or any extension thereof, and until after expiration of the right of removal set forth below, shall have access to the Contractor's plant, or the plant of the Subcontractor, in order to inspect, inventory, or remove any of said plant protective devices or equipment required pursuant to Paragraph (c) hereof, and to inspect the premises with respect to compliance with all regulations and requirements concerning plant protection, including any recommendations made by the appropriate War Department Internal Security personnel.

(g) After the completion or termination of this contract and prior to final settlement thereof, the Contractor, or the Subcontractor, as the case may be, shall have the option, exercisable in writing, to purchase at the then value as fixed by the Contracting Officer, or his duly authorized representative, any special plant protective devices or equipment theretofore installed in his plant pursuant to Paragraph (c) Not later than the date of final settlement, the Contractor or Subcontractor shall notify the Contracting Officer in writing to remove any such devices or equipment as to which the option to purchase is not to be exercised, and the Government shall have the right, at any time within 180 days after the receipt of such notice to remove at its own expense any such plant protective devices or equipment.

(h) The Contractor agrees to insert in each of his subcontracts the following provision:

The Subcontractor agrees to be bound by the provisions of Article _____ of
(This Article)
the prime contract with the Government insofar as they are applicable to this contract. The Price Contractor will reimburse the Subcontractor for the cost of such special devices equipment and personnel as have been or hereafter may be added by the Subcontractor, pursuant to Paragraph (c) of Article _____ for which reimbursement has not been made by the Government direct to the Subcontractor according to the terms set forth in Paragraph (d) of Article _____.

(i) For the purpose of this Article, a subcontract is defined as any contract or agreement entered into between the Contractor and any other party, for the performance of all or any part of the work called for under this Contract.

(j) The Contractor, upon the request of the Contracting Officer, shall dismiss any officer or employee whose continued employment is deemed by the Contracting Officer to endanger the safety of the plant. In the event any such officer or employee is reinstated upon request of the Contracting Officer, the Contractor shall be reimbursed the costs incident to such rehiring, including back wages approved by the Contracting Officer.

(k) If guard personnel are members of the Civilian Auxiliary to the Military Police or successor organization, the Contractor shall be reimbursed for such additional cost approved by the Contracting Officer as may be incurred because of compliance with regulations and orders issued by a military commanding officer in charge of the Contractor's plant guards.

Section 81.343 is amended as follows:

§ 81.343 *Rate of wages clause.* All contracts subject to the Davis-Bacon Act will contain the following clause without deviation:

Rate of wages. (In accordance with the act of August 30, 1935, 49 Stat. 1011, as amended by the act of June 15, 1940, 54 Stat. 399 (U.S. Code, title 40, secs. 276a and 276a–1), this article shall apply if the contract is in excess of $2,000 in amount and is for the construction, alteration, and/or repair, including painting and decorating, of a public building or public work within the geographical limits of the States of the Union, the Territory of Alaska, the Territory of Hawaii, or the District of Columbia.)

(a) The contractor or his subcontractor shall pay all mechanics and laborers employed directly upon the site of the work, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment, computed at wage rates not less or more than those stated in the specifications (subject to Executive Order Number 9250 and the General Orders and Regulations issued thereunder) regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics; and the scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work. The contracting officer shall have the right to withhold from the contractor so much of accrued payments as may be considered necessary by the contracting officer to pay to laborers and mechanics employed by the contractor or any subcontractor on the work the difference between the rates of wages required by the contract to be paid laborers and mechanics on the work and the rates of wages received by such laborers and mechanics and not refunded to the contractor, subcontractors, or their agents.

(b) In the event it is found by the contracting officer that any laborer or mechanic employed by the contractor or any subcontractor directly on the site of the work covered by the contract has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid as aforesaid, the Government may, by written notice to the contractor, terminate his right to proceed with the work or such part of the work as to which there has been a failure to pay said required wages and prosecute the work to completion by contract or otherwise, and the constractor and his sureties shall be liable to the Government for any excess costs occasioned the Government thereby.

(c) The regulations of the Secretary of Labor, referred to in article * * * hereof, allow certain "permissible deductions" from the wages required by this article to be paid.

The Article to which cross reference is made in paragraph (c) of the above clause is that contained in § 81.344.

(a) *Minimum wages.* There will be contained in each contract subject to the Davis-Bacon Act (or in the specifications accompanying the contract) a clause substantially as follows:

The minimum wages to be paid laborers and mechanics on this project, as determined by the Secretary of Labor to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the pertinent locality, are as follows:

Classification of laborers and mechanics	Minimum rates of wages per hour

Any class of laborers and mechanics not listed in the preceding paragraph, which will be employed on this contract, shall be classified or reclassified conformably to the foregoing schedule by mutual agreement between the contractor and class of labor concerned, subject to the prior approval of the contracting officer. In the event the interested parties cannot agree on the proper classification or reclassification of a particular class of laborers and mechanics to be used, the question, accompanied by the recommendation of the contracting officer, shall be referred to the Secretary of Labor for final determination. The wages specified in this schedule shall be the maximum wages to be paid, subject, however, to Executive Order No. 9250 and the General Orders and Regulations issued thereunder.

Section 81.346a is added as follows:

§ 81.346a *Overtime rates and shifts.* Every construction contract will contain a clause substantially as follows:

Overtime rates and shifts. Where a single shift is worked, eight hours of continuous employment, except for lunch periods, shall constitute a day's work beginning on Monday and through Friday of each week. When work is required in excess of eight hours in any one day or during the interval from 5:00 p. m. Friday to 7:00 a. m. Monday, such work shall be paid for at 1½ times the basic rate wages. No premium wage or extra compensation shall be paid for work on customary holidays except that time and one-half wage compensation shall be paid for work performed on any of the following days only: New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, and either Memorial Day or one other such holiday of greater local importance. Where two or more shifts are worked, five consecutive days of 7½ consecutive hour shifts, from Sunday midnight to Friday midnight shall constitute a regular week's work. The pay for a full shift period shall be a sum equivalent to eight times the basic hourly rate, and for a period less than the full shift shall be the corresponding proportional amount which the time worked bears to the time allocated to the full shift period. Any time worked from Friday midnight to Sunday midnight or in excess of regular shift hours shall be paid for at 1½ times the basic rate of wages. Wherever found to be practicable, shifts should be rotated.

Section 81.352a is added as follows:

§ 81.352a *Provision for liquidated damages.* Except with the permission of the chief of the supply service concerned (which may be granted with respect to contracts individually or by class), or in accordance with general instructions given by him, no contract shall provide for liquidated damages in the event of default. Where a contract provides for liquidated damages and a default takes place, action will be taken promptly on behalf of the Government to enforce any remedies available under the contract. So far as possible, such action will be taken in such manner as will prevent the inequitable accumulation of liquidated damages.

Section 81.353 is amended by adding a sentence at the end as follows:

§ 81.353 *Walsh-Healey Act; representations and stipulations.* * * * In lieu of inserting the foregoing clause the representations and stipulations required by the Walsh-Healey Act and the regulations issued by the Department of Labor pursuant thereto may be incorporated by reference to such Act and such regulations.

Paragraph (h) of the clause quoted in § 81.356 is amended as follows:

§ 81.356 *Assignment of rights; secret, confidential and restricted contracts.* * * *

(h) The contractor agrees that he will obtain from the assignee an agreement signed by such assignee similar to that required by paragraph 51, AR 380–5. In such agreement the assignee shall also agree that, in case of further assignment, it will obtain a similar agreement from such assignee.

Section 81.362 is added as follows:

§ 81.362 *Accident prevention.* Every lump sum construction contract, regardless of subject matter or amount, will contain a clause substantially as follows:

Accident prevention. In order to protect the life and health of employees in the performance of this contract, the contractor will comply with all pertinent provisions of the "Safety Requirements in Excavation—Building—Construction" approved by the Chief of Engineers, December 16, 1941, as revised May 15, 1942, (a copy of which is on file in the office of the contracting officer, and as may be amended, and will take or cause to be taken such additional measures as the contracting officer may determine to be reasonably necessary for this purpose. The contractor will maintain an accurate record of and will report to the contracting officer in the manner and on the forms prescribed by the contracting officer, all cases of death, occupational disease and traumatic injury arising out of or in the course of employment on work under this contract. The contracting officer will notify the contractor of any noncompliance with the foregoing provisions and the action to be taken. The contractor shall, after receipt of such notice, immediately correct the conditions to which attention has been directed. Such notice, when served on the contractor or his representative at the site of the work, shall be deemed sufficient for the purpose aforesaid. If the contractor fails or refuses to comply promptly, the contracting officer may issue an order stopping all or any part of the work. When satisfactory corrective action is taken, a start order will be issued. No part of the time lost due to any such stop order shall be made the subject of claim for extension of time or for excess costs or damages by the contractor.

Every fixed-fee construction contract, regardless of subject matter or amount, will contain a clause substantially similar to the foregoing except that the last sentence will be omitted.

Paragraph 3 is added to Article 4 of § 81.375 as follows:

§ 81.375 *Settlement agreement for use where a lump sum supply contract contains a provision for termination for the convenience of the Government substantially in the form contained in § 81.324* (a) *and permits settlement by negotiation of amount due with respect to uncompleted portion of the contract.* * * *

ARTICLE 4. * * *

(3) All rights to the recovery of excessive profits pursuant to section 403 of the Sixth Supplemental National Defense Appropriation Act, 1942 (Public Law 528, 77th Cong.) as amended by section 801 of the Revenue Act of 1942 (Public Law 753, 77th Congress, approved Oct. 21, 1942) on account of payments made to the contractor hereunder which are allocable to the completed portion of the contract (but not on account of the payments pursuant to subparagraphs b and c of Article 2 of this supplemental agreement).

* * * * *

FOREIGN PURCHASES

Section 81.509 (h) is added as follows:

§ 81.509 *Purchases from Canadian suppliers.* * * *

(h) *Excess profits on contracts with War Supplies Limited.* The correspondence below set forth relative to commitments made by War Supplies Limited is published for necessary action and guidance.

WAR SUPPLIES LIMITED
375 Wellington Street,
Ottawa, Canada.

1205 15th St., NW.,
Washington, D. C.,
Republic 7860.

JUNE 26, 1941.

Honorable R. P. PATTERSON,
Under Secretary of War,
2048, Munitions Building,
Washington, D. C.

DEAR SIR: This will acknowledge with thanks your letter of June 20th, relative to the undertaking contained in our letter of June 16th, 1941, in respect of limitation of profits, and allowance for depreciation and amortization in costs on work for your Department.

I note that any return of excess profits would normally revert to the United States Treasury, and that it would be preferable to modify the contract prior to final payment by properly reducing the contract price. As most contracts will be subject to a continuing audit, we do not anticipate any difficulty in this regard, and in any case, where it becomes apparent to us that the contractor is going to make a profit of more than 10% of cost, we shall immediately report the situation to the Contracting Officer, at the same time sending a copy of such report to the Director of Purchases and Contract, Office of the Under Secretary of War, so that the contract may be properly modified.

In respect of the point raised in the last paragraph of your letter, it is our intention that profits will not be allowed to exceed 10% of the actual cost of fulfilling the contract, and not 10% of the contract price.

Yours sincerely,

WAR SUPPLIES LIMITED.
E. P. TAYLOR,
President.

JULY 3, 1941.

WAR SUPPLIES LIMITED,
1205 Fifteenth Street N.W.,
Washington, D. C.

Attention: The Honorable E. P. Taylor.

GENTLEMEN: Receipt is acknowledged of your letter of June 26, 1941, advising, in connection with your letter of June 16, 1941 and reply thereto from this office date June 20, 1941, that in cases of United States Government contracts with your company where continuing audits prevail and where it becomes apparent to you that a profit in excess of 10% of cost will be made, you shall promptly advise the contracting officer involved, at the same time forwarding a copy of your report to him to the Director of Purchases and Contracts, Office of the Under Secretary of War.

It is noted that the profit proposed to be returned by you will be that in excess of 10% of the actual cost of fulfilling the contract involved rather than that in excess of 10% of the contract price.

The various supply arms and services are being advised of your communication.

Sincerely yours,

ROBERT P. PATTERSON,
Under Secretary of War.

Section 81.510 is added as follows:

§ 81.510 *War production policy for Canada and the United States.* Having regard to the fact that Canada and the United States are engaged in a war with common enemies, the President of the United States and the Canadian War Cabinet have, upon the recommendation of the Joint War Production Committee of Canada and the United States, approved a declaration of policy calling for a combined, all-out war production effort and the removal of any barriers standing in the way of such a combined effort. Such declaration of policy follows.

Victory will require the maximum war production in both countries in the shortest possible time; speed and volume of war output, rather than monetary cost, are the primary objectives.

An all-out war production effort in both countries requires the maximum use of the labor, raw materials and facilities in each country.

Achievement of maximum volume and speed of war output requires that the production and resources of both countries should be effectively integrated, and directed towards a common program of requirements for the total war effort.

Each country should produce these articles in an integrated program of requirements which will result in maximum joint output of war goods in the minimum time.

Scarce raw materials and goods which one country requires from the other in order to carry out the joint program of war production should be so allocated between the two countries that such materials and goods will make the maximum contribution toward the output of the most necessary articles in the shortest period of time.

Legislative and administrative barriers, including tariffs, import duties, customs and other regulations or restrictions of any character which prohibit, prevent, delay or otherwise impede the free flow of necessary munitions and war supplies between the two countries should be suspended or otherwise eliminated for the duration of the war.

The two Governments should take all measures necessary for the fullest implementation of the foregoing principles.

(a) The President of the United States has directed the affected departments and agencies of the Government to abide by the letter and spirit of the foregoing policy so far as lies within their power. It is directed that the chief of each supply service whole-heartedly cooperate in an effort to make such policy effective in action. Manufacturing facilities available in the United States and in Canada should be placed upon an equal basis so far as awards of production orders are concerned, having in mind that time is of the essence and that, other things be-

ing equal, production of essential war materials at the earliest practicable date is the immediate aim of the services of supply.

(b) Under the provisions of the Act of March 3, 1933 (see § 81.502), it has been determined by the Under Secretary of War to be inconsistent with the public interest to limit procurement of essential defense articles to those manufactured, mined or produced within the United States.

(c) Any restrictions heretofore imposed on the placing of orders within the Dominion of Canada, or with War Supplies Limited (a Canadian corporation), are suspended, as are existing requirements for the clearance of orders in Canada or with Canadian corporations.

PROCUREMENT RESPONSIBILITY AND PURCHASE RESPONSIBILITY

In § 81.604 paragraph (a) is amended and paragraph (b) is rescinded as follows:

§ 81.604 *Assignment of procurement and purchase responsibility* * * *

(a) In any given transaction, purchase of any item may be effected by a service other than the service having purchase responsibility; *Provided*, That either

(1) The item is required within a brief period of time and in the judgment of the service requiring the item cannot be provided in such time by the service having purchase responsibility for the item, or

(2) The service having purchase responsibility has, by the issuance of general instructions or by consent granted with respect to the specific transaction, indicated its acquiescence.

(b) [Rescinded]

* * * * *

INTERDEPARTMENTAL PURCHASES

Sections 81.611 and 81.612 are amended as follows:

§ 81.611 *Purchases from other agencies of the Government.* Property may be acquired from other agencies of the Government either in the manner set forth in § 81.612 or in the manner set forth in § 81.613. Section 81.612 explains the circumstances under which the two procedures can be followed.

§ 81.612 *Purchase of property pursuant to Public Law 670.* The Act of July 20, 1942 (Public Law 670–77th Congress; 31 U. S. C. 686) amended section 7 (a) of the Act of May 21, 1920 (41 Stat. 613), as amended by section 601 of the Act of June 30, 1932 (47 Stat. 417) to read as follows:

Any executive department or independent establishment of the Government, or any bureau or office thereof, if funds are available therefor and if it is determined by the head of such executive department, establishment, bureau, or office to be in the interest of the Government so to do, may place orders with any other such department, establishment, bureau, or office for materials, supplies, equipment, work, or services, of any kind that such requisitioned Federal agency may be in a position to supply or equipped to render, and shall pay promptly by check to such Federal agency as may be requisitioned, upon its written request, either in advance or upon the furnishing or performance thereof, all or part of the estimated or actual cost thereof as determined by such department, establishment, bureau, or office as may be requisitioned; but proper adjustments on the basis of the actual cost of the materials, supplies, or equipment furnished, or work or services performed, paid for in advance, shall be made as may be agreed upon by the departments, establishments, bureaus, or offices concerned: *Provided*, That the War Department, Navy Department, Treasury Department, Civil Aeronautics Administration, and the Maritime Commission may place orders, as provided herein, for materials, supplies, equipment, work, or services, of any kind that any requisitioned Federal agency may be in a position to supply, or to render or to obtain by contract: *Provided further*, That if such work or services can be as conveniently or more cheaply performed by private agencies such work shall be let by competitive bids to such private agencies. Bills rendered, or requests for advance payments made pursuant to any such order, shall not be subject to audit or certification in advance of payment.

The chiefs of the supply services are authorized pursuant to the foregoing statute to purchase property from other Federal agencies on such terms and conditions as may be mutually agreed upon. This may not be done, however, if the property has been reported to the Procurement Division, Treasury Department as surplus by the holding agency or if the property has been declared surplus to the needs of the holding agency by the Director of the Bureau of the Budget pursuant to section 2 (c) of Executive Order No. 9235 (7 F.R. 6987).

Section 81.613 is added as follows:

§ 81.613 *Purchases of property of other agencies through the Procurement Division, Treasury Department*—(a) *Executive Order No. 9235.* Under date of August 31, 1942 there was issued Executive Order No. 9235 providing for the effective utilization of supplies and equipment by Government agencies (see 7 F.R. 6987). This order provides in part as follows:

2. The Director of the Bureau of the Budget, acting through such assistants as he may designate, shall:

(a) Survey supplies and equipment in possession of Government agencies and the utilization thereof. For this purpose he may require the Government agencies to submit reports and estimates in such form and at such times as he may find necessary: *Provided*, That in making such surveys he shall utilize, subject to the approval of the Secretary of the Treasury, the services and facilities of the Procurement Division of the Treasury Department;

* * * * *

(c) Require, when, in his opinion, such action is necessary or expedient, the transfer from one Government agency to another for permanent or temporary use, of such supplies and equipment as he may determine to be surplus to the needs of one agency and essential to the needs of another agency;

* * * * *

(e) Issue such regulations and directives as may be necessary to effectuate this order.

(b) *Regulation No. 1 of the Director of the Bureau of the Budget.* Under date of November 16, 1942, the Director issued Regulation No. 1 under Executive Order No. 9235. It reads in part as follows:

(c) * * * all equipment or supplies determined to be surplus by the head of an agency * * * having control thereof or by the Director of the Bureau of the Budget shall be declared surplus by submission of Procurement Division Form No. 812, "Declaration of Property" to the Procurement Division, Treasury Department, which will thereupon assume temporary custody thereof. Procedures covering appraisal, rehabilitation, storage, request for transfer, transfer and payment for equipment or supplies transferred under this paragraph will be issued in the form of instructions by the Procurement Division.

2. The Director of the Bureau of the Budget may cause excess equipment and supplies to be declared surplus to the activity having custody thereof without regard to the method by which custody was obtained. Surplus equipment or supplies found in any administrative unit and held by that unit on loan from some other unit will be considered as surplus to the needs of both the unit in possession and the unit accountable therefor.

3. Compliance by the Procurement Division with a request for the transfer of surplus equipment or supplies will be dependent upon the availability to the requesting unit of an appropriation or allocation for the procurement of the equipment or supplies desired, and such other criteria as may be deemed necessary by the Director of the Bureau of the Budget.

(c) *Regulation No. 2 of the Director of the Bureau of the Budget.* Under date of November 16, 1942, the Director issued Regulation No. 2 under Executive Order No. 9235. It reads in part as follows:

1. All equipment and supplies recovered by the Procurement Division, Treasury Department, as surplus to the requirements of any activity shall be transferred to agencies * * * requesting same, in accordance with instructions issued by the Procurement Division, at market or appraisal value at the time of transfer and, except, as provided in paragraph 3 hereof, payment therefor shall be covered into the Treasury as Miscellaneous Receipts.

2. Where the value of equipment and supplies transferred is less than the amount set forth in the justification of the applicable budget schedule, savings shall be set up as a reserve and reported on line 15 (c) of Budget-Treasury Form 2 and described as "savings through purchase of surplus equipment and supplies."

* * * * *

4. The Procurement Division will publish once each month, or more frequently if stock on hand or volume of requests justify, a schedule of items on hand in surplus stores. These schedules will be circulated to all agencies within distribution areas to be served by the surplus stores. No agency shall enter the commercial market for the purpose of procuring any items of equipment or supply contained in the then current surplus schedule without advance clearance from the Procurement Division: *Provided*, That when immediate delivery is required by the public exigency, the articles required may be procured by open market purchase or contract, in accordance with existing law, at the places and in the manner in which such articles are usually bought and sold between individuals.

5. Requests for items listed in such surplus equipment and supply schedules will, as a general rule, be honored as received. However, in cases where, before shipment is made, more than one agency requests identical items, priority shall be determined in accordance with criteria as provided for in Regulation 1, Paragraph 3.

6. Equipment and supplies recovered by the Procurement Division, which are of

such a character or in such condition as to be unusable or to preclude rehabilitation, shall be disposed of under regulations prescribed by the Procurement Division.

(d) *Procedure for acquiring property which is surplus to the needs of another agency.* The procedure for the transfer of surplus property has been set forth in Circular Letter No. 675 (November 18, 1942) of the Procurement Division, Treasury Department. It is summarized in the succeeding paragraphs.

(e) *Catalog of available property.* Once each month, and more frequently if necessary, the Procurement Division, will issue catalogs showing the location, description and transfer price of property reported to it as surplus within specified areas. It is the responsibility of the chief of each supply service to see that all stations under his command, which would be interested in obtaining equipment surplus to the needs of other agencies, is supplied with the current catalog relating to the area where the station is located. Such catalogs will, if requested, be mailed directly to any station making a request of the Procurement Division, Treasury Department, Washington, D. C.

(f) *Surplus property not as yet reported.* When information is obtained as to the existence of property surplus to the needs of another Government agency, a supply service should, if it desires such property, communicate with the holding agency and establish definitely that the property is available. If the property has not yet been reported by the holding agency to the Procurement Division, Treasury Department and has not been declared surplus to the needs of the holding agency by the Director of the Bureau of the Budget pursuant to section 2 (c) of Executive Order No. 9235 (see paragraph (a) of this section), the property may be purchased directly from the holding agency pursuant to Public Law No. 670—77th Congress (see § 81.612). If, however, the holding agency desires to effect the transfer through the Procurement Division, Treasury Department, it should be requested to declare the property as surplus on the forms prescribed by the Procurement Division, Treasury Department. The declaration should be forwarded to the Procurement Division, Treasury Department, Washington, D. C. with a statement that the property is wanted by the station concerned. The property should then be requested by the supply service in accordance with paragraph (g) of this section.

(g) *Requests for transfer not to be made directly.* Any supply service desiring to acquire property which has been reported to the Procurement Division, Treasury Department by the holding agency will make the request through the Surplus Property Officer, Purchases Division, Headquarters, Services of Supply. The request will be made on Purchase Authority Form (issued by the Procurement Division, Treasury Department) or on such other document or form as is customarily used for ordinary purchases. Whatever form is used should carry the capitalized heading "Request for transfer of property". The request should contain the following information:

(1) Complete and specific reference to date of Catalog of Available Property in which property appeared. If property has not yet been listed in a catalog there should be substituted the present location of the property, the transferring agency's declaration number, and a complete description of the property.

(2) Shipping instructions or information that the property will be picked up.

(3) The symbol and title of the appropriation, appropriations, or fund from which the costs of acquisition and any transportation charges incident to delivery to the supply service will be paid. The request will be promptly forwarded by the Surplus Property Officer to the Procurement Division, Treasury Department and the requesting supply service will be informed either that the property will be furnished or that it is not available. Direct correspondence by the chiefs of the supply services with the Procurement Division, Treasury Department, is not authorized in this connection.

(h) *Disposition of surplus property to other Government agencies.* It is to be noted that the foregoing paragraphs relate only to the acquisition of property from another Government agency and not to the disposition of surplus property to another Government agency. As to the latter, see § 83.714 (b) et seq.

STATE AND LOCAL TAXES

Section 81.810 is amended as follows:

§ 81.810 *Applicable tax directives.* While the various state and local tax laws are not uniform in their application, as a general rule Government purchases are exempt from such taxes. Neither are such laws uniform in their application to purchases by Government contractors. Information will be published from time to time as to the procedure to be followed with regard to state and local taxes. Information already published is contained in a series of memoranda for the chiefs of the supply services and others as follows:

Alabama	January 12, 1942 (past transactions).
	January 23, 1942 (future transactions) as amended June 12, 1942.
Arkansas	April 15, 1942 (future transactions).
California	December 18, 1942.
Colorado	November 30, 1942.
Georgia	January 30, 1942 (future transactions).
	February 13, 1942 (past transactions).
Illinois	January 23, 1942 (future transactions).
	June 26, 1942 (all manufacturing transactions).
Indiana	February 6, 1942 (transactions occurring on or after January 1, 1942, as amended March 6, 1942 and June 20, 1942).
	February 6, 1942 (transactions prior to January 1, 1942) (revisions pending).
Iowa	October 13, 1942.
Kansas	January 2, 1943.
Michigan	May 1, 1942.
Mississippi	May 5, 1942, as amended June 12, 1942.
Missouri	August 29, 1942 (transactions after February 6, 1942).
	August 29, 1942 (past transactions).
North Dakota	April 27, 1942.
Ohio	May 18, 1942.
Pennsylvania	April 9, 1942.
South Dakota	April 7, 1942 (future transactions).
Texas	January 23, 1942 (future transactions).
Utah	September 30, 1942.
Virginia	January 30, 1942 (future transactions).
Washington	April 27, 1942.
West Virginia	February 7, 1942 (future transactions as amended April 8, 1942).
Wyoming	April 24, 1942.

WALSH-HEALEY PUBLIC CONTRACTS LAW

In § 81.917 (b) a new subparagraph (8) is added and subparagraphs (8) to (13), inclusive, are renumbered (9) to (14) inclusive.

§ 81.917 *Applicability of Walsh-Healey public contracts law.* * * *

(b) * * *

(8) Article 1 (Insertion of Stipulations) of the aforementioned rulings and interpretations has been amended by adding the words "or incorporated by reference" following the words "the Contracting Officer shall cause to be inserted" in the first paragraph.

(9) Stipulation (c) of Article 1 of the * * *

(10) Article 103 (Overtime) of the * * *

(11) Article 501 (Records of Employment) of the * * *

(12) Articles 601, 602, 1101, and 1201 of the * * *

(13) The following Article has been * * *

(14) By order dated September 2, 1942 * * *.

The item "Work gloves industry" in the index contained in § 81.918 (d) is amended and placed in proper sequence as follows:

§ 81.918 *General instructions.* * * *

(d) * * *

Index	*Sec.*
Gloves and mitten industry	81.920

* * * * *

Section 81.920 is amended as follows:

§ 81.920. *Gloves and mittens industry.* The gloves and mittens industry is defined for the purpose of this determination as that industry which manufactures gloves and mittens (except athletic gloves and mittens) from any material (other than rubber) or from any combination of materials (other than rubber).

Date effective: January 16, 1942, except that learners may be employed at subminimum rates in accordance with the present applicable regulations of the

Administrator of the Wage and Hour Division, on or after January 16, 1943, in the performance of contracts bids for which were solicited or negotiations otherwise commenced by the contracting agency prior to that date.

Wage: 40 cents an hour or $16.00 for a week of 40 hours arrived at either upon a time or piece work basis. Apprentices and learners may be employed at subminimum rates in accordance with the present applicable regulations issued by the Administrator of the Wage and Hour Division which were adopted by the Secretary of Labor for the purpurposes of this determination.

WAGE AND SALARY STABILIZATION

Paragraphs (a) to (p), inclusive, of § 81.976 are redesignated §§ 81.976a to 81.976p, inclusive, and the following changes made therein:

Paragraphs (k) and (l) of the regulations of the Director of Economic Stabilization are added as set forth in § 81.976a. Paragraph (a) is added to § 81.976e. Section 81.796m is amended by the incorporation of joint statements of the National War Labor Board and the Commissioner of Internal Revenue, dated November 12, 1942, and December 26, 1942.

Sections 81.976j and 81.976n are amended.

§ 81.976 *Regulations of Economic Stabilization Director approved by the President.* On October 27, 1942, Economic Stabilization Director Brynes issued regulations (Part 4001) (7 F.R. 8748, 10024) pursuant to authority vested in, and with the approval of, the President relative to wages and salaries. These regulations are set forth in §§ 81.976a to 81.976p, inclusive, of this part.

§ 81.976a *Definitions.*

§ 4001.1 *Definitions.* When used in these regulations, unless otherwise distinctly expressed or manifestly incompatible with the intent thereof:

(a) The term "Act" means the Act of October 2, 1942, entitled "An Act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes."

(b) The term "Board" means the National War Labor Board created by Executive Order No. 9017, dated January 12, 1942.

(c) The term "Commissioner" means the Commissioner of Internal Revenue.

(d) The term "code" means the Internal Revenue Code, as amended as supplemented.

(e) The term "salary" or "salary payments" means all forms of direct or indirect compensation which is computed on a weekly, monthly, annual or other comparable basis, except a wage basis, for personal services of an employee irrespective of when rendered, including bonuses, additional compensation, gifts, loans, commissions, fees, and any other remuneration in any form or medium whatsoever (excluding insurance and pension benefits in a reasonable amount).

(f) The term "salary rate" means the rate or other basis at which the salary for any particular work or service is computed either under the terms of a contract or agreement or in conformity with an established custom or usage.

(g) The term "wages" or "wage payments" means all forms of direct or indirect compensation which is computed on an hourly or daily basis, a piece-work basis, or other comparable basis, for personal services of an employee irrespective of when rendered, including bonuses, additional compensation, gifts, commissions, loans, fees, and any other remuneration in any form or medium whatsoever (but excluding insurance and pension benefits in a reasonable amount).

(h) The term "insurance and pension benefits in a reasonable amount" means

(1) Contributions by an employer to an employees' trust or under an annuity plan which meets the requirements of section 165 (a) of the Code (for text of this section of the Code see paragraph (a) of this section), and

(2) Amounts paid by an employer on account of premiums on insurance on the life of the employee which amounts are deductible by the employer under section 23 (a) of the Code (for text of this section of the Code, see paragraph (b) of this section), except that if such amounts are includible in the gross income of the employee under the Code, the amount in respect of each employee may not exceed five percent of the employee's annual salary or wages determined without the inclusion of insurance and pension benefits.

(i) The terms "approval by the Board" and "determination by the Board" shall, except as may be otherwise provided in the regulations or orders of the Board, include an approval or determination by an agent of the Board duly authorized to perform such act; and such approval or determination, if subsequently modified or reversed by the Board, shall nevertheless for the purpose of these regulations, be deemed to have been continuously in effect from its original date until the first day of the payroll period immediately following the reversal or modification or until such later date as the Board may direct.

(j) The terms "approval by the Commissioner" and "determination by the Commissioner" shall, except as may be otherwise provided in regulations prescribed by the Commissioner, include an approval or determination by an agent of the Commissioner duly authorized to perform such act; and such approval or determination, if subsequently modified or reversed by the Commissioner, shall nevertheless for the purpose of these regulations, be deemed to have been continuously in effect from its original date until the first day of the payroll period immediately following reversal or modification or until such later date as the Commissioner may direct.

(k) The terms "approval by the Secretary of Agriculture" and "determination by the Secretary of Agriculture" shall, except as may be provided in regulations prescribed by the Secretary, include an approval or determination by an agent or agents of the Secretary duly authorized to perform such act.

(l) The term "agricultural labor" shall mean persons working on farms and engaged in producing agricultural commodities whose salary or wage payments are not in excess of $2,400 per annum. The Secretary of Agriculture may by regulation issue such interpretations of this term as he finds necessary.

(a) *Text of section 165 (a) of the Internal Revenue Code.*

(a) *Exemption from tax.* A trust forming part of a stock bonus, pension or profit-sharing plan of an employer for the exclusive benefit of his employees or their beneficiaries shall not be taxable under this supplement and no other provision of this supplement shall apply with respect to such trust or to its beneficiary—

(1) If contributions are made to the trust by such employer, or employees, or both, for the purpose of distributing to such employees or their beneficiaries the corpus and income of the fund accumulated by the trust in accordance with such plan;

(2) If under the trust instrument it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees and their beneficiaries under the trust, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, purposes other than for the exclusive benefit of his employees or their beneficiaries;

(3) If the trust, or two or more trusts, or the trust or trusts and annuity plan or plans are designated by the employer as constituting parts of a plan intended to qualify under this subsection which benefits either—

(A) 70 per centum or more of all the employees, or 80 percentum or more of all the employees who are eligible to benefit under the plan if 70 per centum or more of all the employees are eligible to benefit under the plan, excluding in each case employees who have been employed not more than a minimum period prescribed by the plan, not exceeding five years, employees whose customary employment is for not more than twenty hours in any one week, and employees whose customary employment is for not more than five months in any calendar year, or

(B) Such employees as qualify under a classification set up by the employer and found by the Commissioner not to be discriminatory in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees; and

(4) If the contributions or benefits provided under the plan do not discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist in supervising the work of other employees, or highly compensated employees.

(5) A classification shall not be considered discriminatory within the meaning of paragraphs (3) (B) or (4) of this subsection merely because it excludes employees the whole of whose remuneration constitutes "wages" under section 1426 (a) (1) (relating to the Federal Insurance Contributions Act) or merely because it is limited to salaried or clerical employees. Neither shall a plan be considered discriminatory within the meaning of such provisions merely because the contributions or benefits of or on behalf of the employees under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, or merely because the contributions or benefits based on that part of an employee's remuneration which is excluded from "wages" by section 1426 (a) (1) differ from the contributions or benefits based on employee's remuneration not so excluded, or differ because of any retirement benefits created under State or Federal law.

(6) A plan shall be considered as meeting the requirements of paragraph (3) of this subsection during the whole of any taxable year of the plan if on one day in each quarter it satisfied such requirements.

(b) *Extract from section 23 of the Internal Revenue Code.*

Deductions from gross income. In computing net income there shall be allowed as deductions:

(a) *Expenses.*—(1) *In general.* All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered;

* * *

* * * * * *

(o) *Charitable and other contributions.* In the case of an individual, contributions

or gifts payment of which is made within the taxable year to or for the use of:

(1) The United States, any State, Territory, or any political subdivision thereof or the District of Columbia, or any possession of the United States, for exclusively public purposes;

(2) A corporation, trust, or community chest, fund, or foundation, created or organized in the United States or in any possession thereof or under the law of the United States or of any State or Territory or of any possession of the United States, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benfit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation;

(3) The special fund for vocational rehabilitation authorized by section 12 of the World War Veterans' Act, 1924, 43 Stat. 611 (U.S.C., Title 38, sec. 440);

(4) Posts or organizations of war veterans, or auxiliary units or societies of any such posts or organizations, if such posts, organizations, units, or societies are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private shareholder or individual; or

(5) A domestic fraternal society, order, or association, operating under the lodge system, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals;

to an amount which in all the above cases combined does not exceed 15 per centum of the taxpayer's net income as computed without the benefit of this subsection. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the Commissioner, with the approval of the Secretary.

(c) *Section 5 (b) of Act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation and for other purposes.* Section 5 (b) of Public Law 729 (77th Cong., 2nd Session) provides as follows:

Nothing in this Act shall be construed to prevent the reduction by any private employer of the salary of any of his employees which is at the rate of $5,000 or more per annum.

§ 81.976b *Authority of National War Labor Board.*

§ 4001.2 *Authority of National War Labor Board.* The Board shall, subject to the provisions of sections 1, 2, 3, 4, 8, and 9 of Title II of Executive Order No. 9250, of October 3, 1942, have authority to determine whether any:

(a) Wage payments, or

(b) Salary payments to an employee totaling in amount not in excess of $5,000 per annum where such employee

(1) In his relations with his employer is represented by a duly recognized or certified labor organization, or

(2) Is not employed in a bona fide executive, administrative or professional capacity are made in contravention of the Act, or any rulings, orders or regulations promulgated thereunder. Any such determination by the Board, made under rulings and orders issued by it, that a payment is in contravention of the Act, or any rulings, orders, or regulations promulgated thereunder, shall be conclusive upon all Executive Departments and agencies of the Government in determining the costs or expenses of any employer for the purpose of any law or regulation, either heretofore or hereafter enacted or promulgated, including the Emergency Price Control Act of 1942 or any maximum price regulation thereof, or for the purpose of calculating deductions under the revenue laws of the United States, or for the purpose of determining costs or expenses under any contract made by or on behalf of the United States. Any determination of the Board made pursuant to the authority conferred on it shall be final and shall not be subject to review by The Tax Court of the United States or by any court in any civil proceedings.

§ 81.976c *Rules, orders and regulations of National War Labor Board.*

§ 4001.3 *Rules, orders and regulations of Board.* The Board may make such rulings and issue such orders or regulations as it deems necessary to enforce and otherwise carry out the provisions of these regulations.

§ 81.976d *Authority of the Commissioner of Internal Revenue.*

§ 4001.4 *Authority of the Commissioner of Internal Revenue.* The Commissioner shall have authority to determine, under regulations to be prescribed by him, with the approval of the Secretary of the Treasury, whether any salary payments other than those specified in paragraph (b) of § 4001.2 of these regulations are made in contravention of the Act, or any regulations or rulings promulgated thereunder. Any such determination by the Commissioner, made under such regulations, that a payment is in contravention of the Act, or any rulings or regulations promulgated thereunder, shall be conclusive upon all Executive Departments and agencies of the Government in determining the costs or expenses of any employer for the purpose of any law or regulations, either heretofore or hereafter enacted or promulgated, including the Emergency Price Control Act of 1942 or any maximum price regulation thereof, or for the purpose of calculating deductions under the revenue laws of the United States, or for the purpose of determining costs or expenses under any contract made by or on behalf of the United States. Any determination of the Commissioner made pursuant to the authority conferred on him shall be final and shall not be subject to review by The Tax Court of the United States or by any court in any civil proceedings. No increase in a salary rate approved by the Commissioner shall result in any substantial increase of the level of costs or shall furnish the basis either to increase price ceilings of the commodity or service involved or to resist otherwise justifiable reductions in such price ceilings.

§ 81.976e *Rules and regulations of Commissioner of Internal Revenue.*

§ 4001.5 *Rules and regulations of Commissioner.* The Commissioner may prescribe such regulations with the approval of the Secretary of the Treasury, and make such rulings as he deems necessary, to enforce and otherwise carry out the provisions of these regulations.

(a) *Provisions with respect to wages and salaries of Agricultural labor.* On November 30, 1942, Economic Stabilization Director Byrnes issued amended regulations bearing section numbers 4001.5a, 4001.5b, 4001.5c and 4001.5d (7 F.R. 10024), with the approval of the President, conferring upon the Secretary of Agriculture the authority to determine whether any salary or wage payments to agricultural labor receiving not in excess of $2,400 per annum are made in contravention of the Stabilization Act of October 2, 1942. The text of these sections is omitted.

§ 81.976f *Salary increases.*

§ 4001.6 *Salary increases.* In the case of a salary rate of $5,000 or less per annum existing on the date of the approval of these regulations by the President and in the case of a salary rate of more than $5,000 per annum existing on October 3, 1942, no increase shall be made by the employer except as provided in regulations, rulings, or orders promulgated under the authority of these regulations. Except as herein provided, any increase made after such respective dates shall be considered in contravention of the Act and the regulations, rulings, or orders promulgated thereunder from the date of the payment if such increase is made prior to the approval of the Board or the Commissioner, as the case may be.

In the case, however, of an increase made in accordance with the terms of a salary agreement or salary rate schedule and as a result of

(a) Individual promotions or reclassifications,

(b) Individual merit increases within established salary rate ranges,

(c) Operation of an established plan of salary increases based on length of service,

(d) Increased productivity under incentive plans,

(e) Operation of a trainee system, or

(f) Such other reasons or circumstances as may be prescribed in orders, rulings, or regulations, promulgated under the authority of these regulations,

no prior approval of the Board or the Commissioner is required. No such increase shall result in any substantial increase of the level of costs or shall furnish the basis either to increase price ceilings of the commodity or service involved or to resist otherwise justifiable reductions in such price ceilings.

§ 81.976g *Decreases in salaries of less than $5,000.*

§ 4001.7 *Decreases in salaries of less than $5,000.* In the case of a salary rate existing as of the close of October 3, 1942, under which an employee is paid a salary of less than $5,000 per annum for any particular work, no decrease shall be made by the employer below the highest salary rate paid for such work between January 1, 1942, and September 15, 1942, unless to correct gross inequities or to aid in the effective prosecution of the war. Any decrease in such salary rate after October 3, 1942, shall be considered in contravention of the Act and the regulations, rulings, or orders promulgated thereunder if such decrease is made prior to the approval of the Board or the Commissioner, as the case may be.

§ 81.976h *Decreases in salaries of over $5,000.*

§ 4001.8 *Decreases in salaries of over $5,000.* In the case of a salary rate existing as of the close of October 3, 1942, under which an employee is paid a salary of $5,000 or more per annum, no decrease in such rate made by the employer shall be considered in contravention of the Act and the regulations promulgated thereunder (see section 5 (b) of the Act set forth in § 81.976a (c)): *Provided, however,* That if by virtue of such decrease the new salary paid to the employee is less than $5,000 per annum, then the validity of such decrease below $5,000 shall be determined under the provisions of § 4001.7 of these regulations.

§ 81.976i *Limitation on certain salaries.*

§ 4001.9 *Limitation on certain salaries.* (a) No amount of salary (exclusive of any amounts allowable under paragraphs (b) and

(c) of this section) shall be paid or authorized to be paid to or accrued to the account of any employee or received by him during the taxable year which, after reduction by the Federal income taxes on the amount of such salary, would exceed $25,000. The amount of such Federal income taxes shall be determined (1) by applying to the total amount of salary (exclusive of any amounts allowable under paragraphs (b) and (c) of this section) paid or accrued during the taxable year, undiminished by any deductions, the rates of taxes imposed by Chapter I of the Code (not including section 466) as if such amount of salary were the net income (after the allowance of credits applicable thereto), the surtax net income, and the Victory tax net income, respectively, and (2) without allowance of any credits against any of such taxes.

(b) In any case in which an employee establishes that his income from all sources is insufficient to meet payments customarily made to charitable, educational or other organizations described in section 23 (o) of the Code (for text of this section of the Code see § 81.976a (b)), without resulting in undue hardship, then an additional amount sufficient to meet such payments may be paid or authorized to be paid to or accrued to the account of any employee or received by him during the taxable year even though it exceeds the amount otherwise computed under paragraph (a).

(c) In any case in which an employee establishes that, after resorting to his income from all sources, he is unable, without disposing of assets at a substantial financial loss resulting in undue hardship, to meet payments for the following:

(1) Required payments (excluding accelerated payments) made by the employee during the taxable year on any life insurance policies on his life which were in force on October 3, 1942.

(2) Required payments (excluding accelerated payments) made by the employee during the taxable year on any fixed obligations for which he was obligated on October 3, 1942,

(3) Federal income taxes of the employee for prior taxable years, which are paid during the taxable year, not including Federal income taxes on the allowance under paragraph (a) for any prior year, an additional amount sufficient to meet such payments may be paid or authorized to be paid to or accrued to the account of any employee or received by him during the taxable year, even though it exceeds the amount otherwise computed under paragraph (a).

(d) In the case of an individual who is an employee of more than one person, the aggregate of the salaries received by such individual shall, under such circumstances as may be set forth in regulations promulgated under the authority of these regulations, be treated as if paid by a single employer.

(e) Unless payment thereof is required under a bona fide contract in effect on October 3, 1942, no amount of salary shall be paid or authorized to be paid to or accrued to the account of any employee or received by him after October 27, 1942, and before January 1, 1943, if the total salary paid, authorized, accrued or received for the calendar year 1942 exceeds the amount of salary which would otherwise be allowable under paragraph (a) of this section and also exceeds the total salary paid, authorized, accrued or received for the calendar year 1941.

(f) Except as provided in paragraph (e) of this section, the provisions of this section shall be applicable to salary paid or accrued after December 31, 1942, regardless of when authorized and regardless of any contract or agreement made before or after such date.

§ 81.976j *Effect of unlawful payments.*

§ 4001.10 *Effect of unlawful payments.* (a) If any wage or salary payment is made in contravention of the Act or the Regulations, Rulings or Orders promulgated thereunder as determined by the Board, the Commissioner or the Secretary of Agriculture, as the case may be, the entire amount of such payment shall be disregarded by the Executive Department and all other agencies of the Government in determining the costs or expenses of any employer for the purpose of any law or regulation, including the Emergency Price Control Act of 1942, or any maximum price regulation thereof, or for the purpose of calculating deductions under the revenue laws of the United States, or for the purpose of determining costs or expenses of any contract made by or on behalf of the United States. The term "law or regulations" as used herein includes any law or regulation hereafter enacted or promulgated. In the case of wages or salaries decreased in contravention of the Act or regulations, rulings or orders promulgated thereunder, the amount to be disregarded is the amount of the wage or salary paid or accrued. In the case of wages or salaries increased in contravention of the Act or regulations, rulings or orders promulgated thereunder, the amount to be disregarded is the amount of the wage or salary paid or accrued and not merely an amount representing an increase in such wage or salary. In the case of a salary in excess of the amount allowable under § 4001.9 of these regulations which is paid or accrued to an employee during his taxable year in contravention of the Act or regulations, rulings or orders promulgated thereunder, the amount to be disregarded is the full amount of such salary and not merely the amount representing the excess over the amount allowable under such § 4001.9.

(b) Payments made or received in violation of any regulations, rulings or orders promulgated under the authority of the Act are subject to the penal provisions of the Act.

§ 81.976k *Exempt employers.*

§ 4001.11 *Exempt employers.* The provisions of §§ 4001.6, 4001.7 and 4001.8 of these regulations shall apply only in the case of an employer who employs more than eight individuals.

§ 81.976l *Salary allowances under Internal Revenue Code.*

§ 4001.12 *Salary allowances under Internal Revenue Code.* No provision of these regulations shall preclude the Commissioner from disallowing as a deduction in computing Federal income tax any compensation paid by an employer (regardless of the number of employees and of the amount paid to any employee) in excess of a "reasonable allowance" in accordance with the provisions of section 23 (a) of the Code (for text of this section of the Code see § 81.976a (b).

§ 81.976m *Statutory salaries and wages.*

§ 4001.13 *Statutory salaries and wages.* These regulations shall be applicable to any salary or wages paid by the United States, any State, Territory or possession, or political subdivision thereof, the District of Columbia, or any agency or instrumentality of any one or more of the foregoing, except where the amount of such salary or wages is fixed by statute.

Joint Statement of November 12, 1942, of the National War Labor Board and the Commissioner of Internal Revenue: Procedure for Wage and Salary Adjustments by State Governments and Subdivisions and Agencies Thereof.

Adjustments in salaries or wages of State, county or municipal employees which require the approval of the Board or of the Commissioner will be deemed approved upon certification by the State or local agency authorizing the adjustment that such adjustment is necessary to correct maladjustments, or to correct inequalities or gross inequities as contemplated by Executive Order No. 9250. Such a certificate, briefly describing the nature and amount of the adjustment, and setting forth the necessary facts, will be accepted by the Board of Commissioners, as the case might be, as satisfactory evidence of the facts and of the propriety of the adjustment, subject to the right of the Board or the Commissioner to reopen the matter and to request further information pertaining to the propriety of the adjustment. Modification by the Board or by the Commissioner of action taken by a governmental official or agency acting pursuant hereto will not be retroactive. The certificate prescribed herein, together with four copies thereof, should be filed promptly with the committee established by joint action of the National War Labor Board and the Commissioner of Internal Revenue, namely the Joint Committee on Salaries and Wages, Room 5406, Department of Labor Building, Washington, D. C., which will forward the same to the Board or the Commissioner, as the case may require.

The certification procedure will not apply to any adjustment which would raise salaries or wages beyond the prevailing level of compensation for similar services in the area or community. In exceptional cases where such an adjustment is sought, and in all cases where the agency seeks an adjustment other than by the certification procedure, application for approval should be filed with the appropriate Regional Office of the National War Labor Board or of the Commissioner of Internal Revenue as the case may be.

Joint Statement of December 26, 1942, of the National War Labor Board and the Commissioner of Internal Revenue: Procedure for Wage and Salary Adjustments by State, County, and Municipal Governments and Agencies Thereof.

Since the November 12, 1942, announcement of procedure was made, a multitude of certificates of wage or salary adjustments have been received from state and local agencies. In the course of a detailed examination of the facts set forth in these certificates, neither the Board nor the Commissioner has had occasion to question any adjustments made by any of the state or local agencies. In the light of this experience, which indicates that statutory budgetare controls are operating to keep salary and wage movements of state and local agencies within very narrow bounds, the Board and the Commissioner have determined to make the following changes in procedure effective forthwith:

(1) In all cases where an adjustment in wages or salaries by a State, county or municipal agency is necessary to correct maladjustments, inequalities or gross inequities as contemplated by Executive Order No. 9250, and would not raise salaries or wages above the prevailing level of compensation for similar services in the area or community, the adjustments will be deemed approved without the necessity of filing certificates for the information of the Board or Commissioner.

(2) In all other cases, the state or local agency is requested to take the matter up with the Joint Committee on Salaries and Wages, Department of Labor Building, Washington, D. C. This Committee, with the approval of the Economic Stabilization Director, has been established by the Board and the Commissioner, and has been authorized to advise state and local agencies in these cases whether or not the particular adjustments are in accordance with the national stabilization policy. While the Committee in the performance of its functions will not attempt to exercise any legal sanctions, Congress, in the Act of October 2, 1942, clearly intended that all employers and all

employees would be covered by the national stabilization policy and since millions of public employees are engaged in the same kind of work as private employees, the duty of public employers to conform to that policy is as plain as that of private employers. The way in which governmental agencies have been cooperating with the Board and the Commissioner to date indicates their desire to discharge that duty to the same extent as is required of non-governmental employers.

§ 81.976n *Territories and possessions.*

§ 4001.14 *Territories and possessions.* The Board, the Commissioner or the Secretary of Agriculture, as the case may be, shall have the authority to exempt from the operation of these regulations any wages or salaries paid in any Territory or possession of the United States where deemed necessary for the effective administration of the Act and these regulations.

§ 81.976o *Regulations of Economic Stabilization Director.*

§ 4001.15 *Regulations of Economic Stabilization Director.* The Director shall have authority to issue such regulations as he deems necessary to amend or modify these regulations.

§ 81.976p *Effect of Executive Order No. 9250.*

§ 4001.16 *Effect of Executive Order No. 9250.* To the extent that the provisions of Executive Order No. 9250, dated October 3, 1942, are inconsistent with these regulations, such provisions are hereby superseded.

Section 81.977c is amended as follows:

§ 81.977c *Regional offices.*

§ 1001.3 *Regional offices.* The Commissioner of Internal Revenue may establish such regional offices as he shall deem necessary for the effective administration of the provisions of this Treasury Decision.

(a) The Commissioner of Internal Revenue has established the following Salary Stabilization Regional Offices:

Detroit: 14th Floor, Penobscot Building, Detroit, Michigan. Jurisdiction: Michigan.

Los Angeles: Suite 770, Subway Terminal Building, Los Angeles, California. Jurisdiction: Sixth Collection District of California, and Arizona.

New York: 253 Broadway, Fourth Floor, New York, New York. Jurisdiction: New York and the Fifth Collection District of New Jersey.

Philadelphia: Suite 1313, Market Street, National Bank Building, Philadelphia, Pennsylvania. Jurisdiction: Pennsylvania and New Jersey with the exception of the Fifth Collection District of New Jersey.

San Francisco: Room 918, 100 McAllister Street Building, San Francisco, California. Jurisdiction: First Collection District of California, Nevada, Utah and Hawaii.

Chicago: Fourth Floor, 208 South La Salle Street, Chicago, Illinois. Jurisdiction: Illinois, Wisconsin, Minnesota, North Dakota, South Dakota, Indiana.

Boston: Rooms 301–4, 1 State Street, Boston, Massachusetts. Jurisdiction: Maine, New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island.

Cleveland: Williamson Building, 215 Euclid Avenue, Cleveland, Ohio. Jurisdiction: Ohio and Kentucky.

Atlanta: Rooms 717–720, William Oliver Building, Atlanta, Georgia. Jurisdiction: South Carolina, Georgia, Florida, Alabama and Tennessee.

Seattle: Room 312, Smith Tower Annex, Seattle, Washington. Jurisdiction: Washington, Oregon, Idaho, Montana, Wyoming and Alaska.

Kansas City: R. A. Long Building, Kansas City, Missouri. Jurisdiction: Kansas, Missouri, Iowa, Nebraska and Colorado.

Dallas: Tower Petroleum Building, Dallas, Texas. Jurisdiction: Mississippi, Louisiana, Texas, New Mexico, Arkansas and Oklahoma.

Washington, D. C.: Room 2529, Internal Revenue Building, Washington, D. C. Jurisdiction: Maryland, Delaware, Virginia, West Virginia, North Carolina, District of Columbia, and Puerto Rico.

Paragraphs (a) and (b) are added to § 81.977p as follows:

§ 81.977p *Commissioner's approval required.*

§ 1002.13 * * *

(a) Where an employer has numerous employees on a weekly salary basis and who receive stipulated salaries for a week comprised of 48 hours of work, without provision for overtime compensation, approval by Commissioner of Internal Revenue is required to increase weekly salaries on a pro rata hourly basis for all hours worked in excess of 48. Likewise, approval of the Commissioner is required to effect a pro rata hourly reduction of the weekly salaries under the same circumstances (letter of Commissioner of Internal Revenue dated December 22, 1942).

(b) Where an employer has numerous employees who receive stipulated salaries per week of 40 hours of work with provision for time and one-half compensation for all hours worked in excess of 40 per week, approval of Commissioner of Internal Revenue is required to increase the base weekly salary for 40 hours of work but not for pro rata overtime (letter of Commissioner of Internal Revenue dated December 22, 1942).

Paragraphs (a) and (b) are added to § 81.977q as follows:

§ 81.977q *Commissioner's approval not required.*

§ 1002.14 * * *

(a) *Bonuses.* The Commissioner of Internal Revenue has stated that his approval of bonuses to be paid in 1942 to salaried employees within his jurisdiction is not required where:

(1) The amount to be paid in 1942 is not greater than the amount paid to the same employee or an employee occupying the same position in 1941.

(2) Before October 3, 1942, the employer has entered into an enforceable contract with the employee to pay him, in 1942, (i) a bonus of a specified amount or, (ii) a bonus calculated in a specified manner, the amount of which was determinable on or before October 3, 1942.

(3) It has been the settled policy of the employer over a period of at least two years to pay bonuses calculated on a fixed percentage of the salary of each of the employees of any group, provided the fixed percentage is not increased in 1942. An increase in the amount of any employee's bonus due to an increase in his salary during 1942, without any change in the percentage, will not be in violation of this rule.

(4) The bonus or other additional compensation is based on a fixed percentage of an employee's individual sales, provided the rate of such payment was fixed before October 3, 1942. All other types of bonus payments require the approval of the Commissioner. Applications for approval of bonus payments, where required, should be made before making payment and should be filed on forms which may be secured from any of the Salary Stabilization Regional Offices listed in paragraph (a) of § 81.977c.

(b) *Salary schedules.* The salary schedules for nonmanual employees contained in Construction Contract Board Form 5 used by the Office of the Chief of Engineers have been ruled by the Commissioner of Internal Revenue to be salary rate schedules within the meaning of § 1002.14 of the Regulations and salary increases and promotions within the limits of these schedules may be made without prior approval of the Commissioner, for employees who come within the jurisdiction of the Commissioner. Prior approval, however, must be obtained in any case where salary increases are made beyond the limits set forth in such schedules (letter of Commissioner of Internal Revenue dated December 22, 1942).

Section 81.977*ll* is added immediately following § 81.977kk:

§ 81.977*ll* *Delegation by Commissioner of Internal Revenue to Secretary of War.* By letter dated December 24, 1942, the Commissioner of Internal Revenue delegated to the Secretary of War the authority to administer the provisions of Executive Order No. 9250, General Regulations of the Director of Economic Stabilization and the Salary Stabilization Regulations as they relate to salary adjustments, which come under the jurisdiction of the Commissioner of Internal Revenue, of all civilian employees employed by the War Department within the continental limits of United States and Alaska, the Army Exchange Service and Government-owned, privately-operated facilities of the War Department. The full text of the letter follows:

DECEMBER 24, 1942.

MY DEAR MR. SECRETARY: Reference is made to your letter dated December 1, 1942, addressed to the Secretary of the Treasury, wherein it is suggested that an arrangement be adopted so that the Secretary of War may have the authority to administer the provisions of Executive Order No. 9250, General Regulations of the Director of Economic Stabilization and the Salary Stabilization Regulations, as they relate to salary adjustments which come under the jurisdiction of this office, of all civilian positions of the War Department within the continental United States and Alaska. The delegation of authority would also cover salary adjustments for personnel under the Army Exchange Service and in Government owned, privately operated plants. It is further requested that the authority delegated be exercised on behalf of the Secretary of War by the Wage Administration Section in the Civilian Personnel Division, Headquarters, Services of Supply. Under the plan suggested the Wage Administration Section would have authority to act on cases covered by the policies of this office and will present to the Commissioner of Internal Revenue a request for a decision on any case not so covered. There was attached to your letter a Wage Administration Manual for ungraded civilian jobs.

In accordance with your request, there is hereby delegated to the Secretary of War, as the agent of the Commissioner, to be exercised on his behalf by the Wage Administration Section within the Civilian Personnel Division, Headquarters, Services of Supply (hereinafter referred to as the War Department Agency) authority to rule upon all applications for salary adjustments (insofar as approval thereof has been made a function of the Commissioner of Internal Revenue) covering civilian employees within the continental limits of the United States and Alaska, employed by the War Department, the Army Exchange Service and Government owned, privately operated facilities of the War Department.

This delegation is subject to the following conditions:

1. The War Department Agency, without making initial ruling thereon, may refer to the Commissioner of Internal Revenue for decision any case which in the opinion of the agency presents doubtful and disputed questions of sufficient importance to warrant direct action by the Commissioner.

2. The War Department Agency shall transmit to the Commissioner of Internal Revenue copies of its rulings and rules of procedure as they are issued and such additional data and reports as the Commissioner may from time to time deem necessary.

3. Any ruling by the War Department Agency shall be final, subject to

(a) the Commissioner's ultimate power to review rulings on his own initiative;

(b) the right of any aggrieved party to take an appeal to the Commissioner from the ruling of the War Department Agency within a period of ten days after the date of such ruling. An appeal shall be filed with the War Department Agency to be forwarded to the Commissioner for action.

Any ruling by the War Department Agency shall be deemed to be the act of the Commissioner of Internal Revenue, unless and until reversed or modified by him, and any such reversal or modification shall take effect from the date recited in the order of modification or reversal.

4. Any ruling of the War Department Agency under this delegation of authority shall be effective from the date of the receipt of the application for salary adjustment and in no case should the War Department Agency issue a ruling which would have a retroactive effect; except, however, in those cases where a salary adjustment was made in good faith and consistent with the provisions of Executive Order No. 9250, prior to the date of this letter, retroactive approval may be made if the application for approval is filed with the War Department Agency on or before January 15, 1943.

5. The "Government owned, privately operated facilities of the War Department" which are to be subject to the terms of this delegation shall be only those which are named in lists furnished from time to time to the Commissioner of Internal Revenue by the War Department Agency. The Commissioner of Internal Revenue may at any time, upon at least seven days' notice to the War Department Agency, strike from the list any facility if the Commissioner of Internal Revenue believes that the policies of the Executive Order No. 9250, the regulations promulgated by the Economic Stabilization Director and those of the Commissioner of Internal Revenue require that the Commissioner of Internal Revenue act directly upon the wage and salary adjustments of such facility.

Since the Wage Administration Section in the Headquarters, Services of Supply, has the technical staff and has made the necessary preparation to apply the provisions of the Executive Order No. 9250 and the regulations throughout the War Department, it is believed that the foregoing delegation of authority will aid in the expeditious handling of the salary adjustment program.

Very truly yours,

GUY T. HELVERING,
Commissioner.

Section 81.979a is amended by adding at the end thereof reference to Alaska as follows:

§ 81.979a *National War Labor Board Regions; geographical jurisdictions and addresses.* * * *

Region X: California, Washington, Oregon, Nevada, Arizona. 1355 Market St., San Francisco, Calif.

Alaska. (See § 81.980w, National War Labor Board General Order No. 23.)

Sections 81.979c and 81.979d are added as follows:

§ 81.979c *Extension of authority of National War Labor Board Regional Directors: Bonuses.* On December 17, 1942, the National War Labor Board delegated to its Regional Directors authority to pass on such bonus payments which require Board approval. The Regional Directors were authorized to approve the payment of gifts or bonuses not permissible under General Order No. 10 (§ 81.980j) only in exceptional cases where non-payment "would be grossly inequitable and would result in a manifest injustice."

§ 81.979d *Extension of authority of National War Labor Board Regional Directors: Voluntary wage and salary adjustments.* On December 24, 1942, the National War Labor Board granted to its Regional Directors authority to make final decisions on all voluntary wage or salary (over which the NWLB has jurisdiction) adjustment cases involving employers of not more than 100 employees subject to the NWLB's procedure which provides for appeal to a tripartite regional panel from an adverse ruling by a Regional Director. The decisions of these panels are final, subject to the right of any panel member to request Board review and the Board's right of review on its own motion.

In § 81.980 paragraphs (a) to (p) inclusive are redesignated §§ 81.980a to 81.980p inclusive and the following changes made therein:

Section 81.980 is amended as follows:

§ 81.980 - *General Orders of National War Labor Board.* From time to time the National War Labor Board issues general orders establishing procedures and regulations for the administration and interpretations of such portions of Executive Order No. 9250 as are administered by the National War Labor Board, as well as interpretations of such general orders. The full text of such general orders and interpretations is set forth in the succeeding paragraphs which are designated §§ 81.980a to 81.980y, inclusive.

Paragraph (a) is redesignated § 81.980b and amended as follows:

§ 81.980a *General Order No. 1.* * * *

(a) *General Order No. 1–A.*

General Order No. 1 issued by the National War Labor Board on October 7, 1942, shall apply also to salaries subject to the jurisdiction of the Board. (For definition of such salaries, see General Order No. 9, October 30, 1942, at § 81.980i.)

Paragraph (b) is redesignated § 81.980b as follows:

§ 81.980b *General Order No. 2.* * * *

Paragraph (c) is redesignated § 81.980c and subparagraphs (1), (2), and (3) are redesignated paragraphs (a), (b), and (c) of that section as follows:

§ 81.980c *General Order No. 3.* * * *

(a) *Interpretation No. 1 of General Order No. 3.* * * *

(b) *Interpretation No. 2 of General Order No. 3.* * * *

(c) *Interpretation No. 3 of General Order No. 3.* * * *

Paragraph (d) is redesignated § 81.980d and subparagraphs (1), (2), (3), and (4) are redesignated paragraphs (a), (b), (c), and (d) of that section as follows:

§ 81.980d *General Order No. 4.* * * *

(a) *Intrepretation No. 1 of General Order No. 4.* * * *

(b) *Intrepretation No. 2 of General Order No. 4.* * * *

(c) *General Order No. 4–A.* * * *

(d) *General Order No. 4–B.* * * *

Paragraph (e) is redesignated § 81.980e, paragraphs (b), (c), and (d) are added as follows:

§ 81.980e *General Order No. 5.*

Wage adjustments may be made in the rates of individual employees, without approval of the National War Labor Board, if they are incident to the application of the terms of an established wage agreement or to established wage rate schedules covering the work assignments of employees and are made as a result of:

(a) Individual promotions or reclassifications.

(b) Individual merit increases within established rate ranges.

(c) Operation of an established plan of wage increases based upon length of service.

(d) Increased productivity under piecework or incentive plans.

(e) Operation of an apprentice or trainee system.

The Board further finds that adjustments of wages made under this order should not result in any substantial increase of the level of costs and shall not furnish a basis either to increase price ceilings of the commodity or service involved or to resist otherwise justifiable reductions in such price ceilings.

(a) *Interpretation No. 1 of General Order No. 5.* * * *

(b) *The reduction or acceleration of the time intervals* in a length of service schedule constitutes a substantial change in the essential character of the schedule and, therefore, may not be made without Board approval.

(c) *Where a length of service schedule contains several steps,* the starting or minimum step may not be eliminated without Board approval even though the other steps in the schedule including the top step, or maximum rate, are left unaffected.

(d) *A wage rate schedule* is "established" within the meaning of General Order No. 5 where prior to October 3, 1942, minimum and maximum rates were fixed for the particular job or classification. A salary rate schedule is "established" where prior to October 27, 1942, minimum and maximum rates for the particular salaried job or classification were fixed. The minimum and maximum rates may have been fixed either in writing or by custom or practice adhered to for a substantial length of time prior to October 3, in the case of wages, or October 27, in the case of salaries. No definite rule of thumb has been formulated by the National War Labor Board to determine whether or not the rates have been adhered to for sufficient length of time but the Board has indicated that if the rates have been adhered to for a year prior to the proposed adjustments that would be sufficient. Whether any lesser period should

be allowed will depend on the circumstances of each case.

Paragraph (f) is redesignated § 81.980f and amended as follows:

§ 81.980f *General Order No. 6.* * * *

(a) *General Order No. 6–A.*

General Order No. 6, issued by the National War Labor Board on October 20, 1942, shall apply also to salaries subject to the jurisdiction of the Board. (For definition of such salaries, see General Order No. 9, October 30, 1942, at § 81.980l.)

Paragraph (g) is redesignated § 81.980g as follows:

§ 81.980g *General Order No. 7.* * * *

Paragraph (h) is redesignated § 81.980h as follows:

§ 81.980h *General Order No. 8.* * * *

Paragraph (i) is redesignated § 81.980i and paragraphs (a) and (b) are added as follows:

§ 81.980i *General Order No. 9.* * * *

(a) *The straight time weekly or monthly rate* being paid before an increase takes effect, and which, if paid over a period of 52 weeks would not exceed $5,000 a year is the basis of determining whether a salary is less than $5,000 for the purposes of General Order No. 9.

(b) *A "duly recognized or certified labor organization"* as set forth in subparagraph I (a) of General Order No. 9 means a labor organization representing some or all of the employees affected by the proposed adjustment which (1) is recognized by the employer as the representative of such employees in matters affecting wages or (2) has been certified by an appropriate government authority (a state agency or the National War Labor Relations Board) as the exclusive bargaining agent for some or all of the employees affected by the proposed adjustment.

Paragraph (j) is redesignated § 81.980j and paragraph (a) is added to that section as follows:

§ 81.980j *General Order No. 10.* * * *

(a) *General order 10–A.*

A bonus payment made by an employee severing his employment for the immediate purpose of entering the armed forces of the United States does not require the approval of the National War Labor Board.

Paragraph (k) is redesignated § 81.980k as follows:

§ 81.980k *General Order No. 11.* * * *

Paragraph (l) is redesignated § 81.980*l* as follows:

§ 81.980*l* *General Order No. 12.* * * *

On November 25, 1942, the National War Labor Board determined that General Order No. 12 applies to employees of the District of Columbia.

Paragraph (m) is redesignated § 81.980m and amended as follows:

§ 81.980m. *General Order No. 13.*

(Note: This general order was repealed by General Order No. 13–A issued on December 14, 1942 (see paragraph (a) of this section). It is set forth here merely for purposes of reference.)

WAGE STABILIZATION IN BUILDING

(a) As provided in Title III, section 3, of Executive Order 9250 the Wage Adjustment Board of the Building Construction Industry established by the Secretary of Labor's Administrative Order No. 101 shall continue to perform the duty ascribed to it by that Order as amended by Supplement No. 1 and by the Wage Stabilization Agreement of May 22, 1942, between the Building and Construction Trades Department of the American Federation of Labor and several Government agencies. As provided in the agreement rates are to be revised above the July 1, 1942, levels only where those rates are inadequate because:

(1) They were fixed at a time so long before July 1, 1942, as to be out of line with the general wage then prevailing;

(2) They were applicable in a locality where changing conditions in the building construction industry require a revision of wage rates; or

(3) They do not sufficiently take into account any abnormal changes in conditions.

(b) In the performance of this duty the Wage Adjustment Board shall take no action which is inconsistent with the terms of Executive Order No. 9250.

(c) Any recommendation of the Wage Adjustment Board directed to the parties for a change in wage rates shall be transmitted to the National War Labor Board and shall become a final order of the National War Labor Board seven days after filing unless in the interim the National War Labor Board determines that the recommendation should be stayed for the purpose of review or should be put into operation subject to review. If the National War Labor Board assumes review, it shall enter its order confirming the recommendation of the Wage Adjustment Board or remanding the case to the Wage Adjustment Board for further consideration. The Wage Adjustment Board may refer to the National War Labor Board or the National War Labor Board may bring up on its own motion, any recommendation of the Wage Adjustment Board directed to the parties in order to determine whether the action is inconsistent with the terms of Executive Order No. 9250.

(d) Unless and until otherwise ordered this order shall apply only to wage adjustments in contracts which were entered into prior to November 5, 1942, or which are otherwise excluded from the operation of Maximum Price Regulation 251 of the Office of Price Administration.

(a) *General Order No. 13–A.*

General Order No. 13 (Wage Stabilization in Building) of November 14, 1942 is hereby revoked. In its place the following order is adopted:

(a) Title III, section 3 of Executive Order No. 9250 of October 3, 1942, provides: "The National War Labor Board shall permit * * * the Wage Adjustment Board for the Building Construction Industry * * * to continue to perform its functions * * * except insofar as any of them is inconsistent with the terms of this order."

Pursuant thereto, the Wage Adjustment Board shall continue to perform the duty ascribed to it by Administrative Order No. 101 of the Secretary of Labor as amended by Supplement No. 1 and by the Wage Stabilization Agreement of May 22, 1942, between the Building and Construction Trades Department of the American Federation of Labor and several Government Agencies, all in accordance with the further provisions of this order.

(b) Applications for approval of revision of rates subject to the Wage Stabilization Agreement of May 22, 1942, which revision would otherwise require the approval of the National War Labor Board, shall be submitted for approval to the Wage Adjustment Board for the Building Construction Industry.

(c) In applying the provisions of Paragraphs (a), (b), and (c) of the said Agreement of May 22, 1942, the Wage Adjustment Board, in ruling upon such applications for approval shall, as directed by Title III, Section 3, of Executive Order No. 9250, take no action inconsistent with the terms of said Executive Order, or with the National War Labor Board's Wage Stabilization Policy of November 6, 1942, or any other General Order or policy of the National War Labor Board heretofore or hereafter announced thereunder.

(d) (1) Any unanimous ruling by the Wage Adjustment Board hereunder shall be deemed to be a final ruling of the National War Labor Board, subject to the provisions of paragraph 3 below.

(2) Any ruling with respect to which a member of the Wage Adjustment Board has cast a dissenting vote shall (subject to the provisions of paragraph 3 below) become a final ruling of the National War Labor Board, unless within seven (7) days after such ruling the member casting the dissenting vote refers the ruling to the National War Labor Board for review. Such a reference shall be accompanied by a full statement of the reasons for the dissent. The National War Labor Board shall thereupon determine whether the ruling should be stayed for the purpose of review or should be put into operation subject to review.

(3) All rulings by the Wage Adjustment Board hereunder shall be subject to the National War Labor Board's ultimate power of review on its own initiative. Any reversal or modification of such a ruling shall not be retroactive and shall allow the parties a period of two (2) weeks after the date of the National War Labor Board's order within which to comply with such order.

(e) The Wage Adjustment Board shall transmit monthly to the Division of Review, Analysis and Research of the National War Labor Board, copies of its rulings made hereunder and such additional data and reports as said Division or the National War Labor Board may from time to time deem necessary.

(f) Each application submitted hereunder for ruling to the Wage Adjustment Board shall state whether it is intended to make the proposed increase, if approved, the basis of an application to the Office of Price Administration for an adjustment of maximum prices or of a petition for an amendment of the regulations establishing those prices.

(1) If the application does not state that price relief will be sought, the Wage Adjustment Board shall rule finally upon the application subject only to the War Labor Board's ultimate power of review above set forth.

(2) If the application states that price relief will be sought, there shall be submitted with the application a statement describing the relationship between the proposed increase and the price situation and what the effect would be if wages were increased without price relief. A copy thereof shall be sent with the application to the Office of Price Administration together with such additional forms as the Office of Price Administration may require to be filled out and which have been supplied for that purpose by said Office to the Wage Adjustment Board.

(i) Copies of rulings in such cases, approving or disapproving the application shall be transmitted by the Wage Adjustment Board to the Office of Price Administration as well as to the applicants.

(ii) If the application in such case is approved, the ruling of the Wage Adjustment Board shall state that it will become effective only on final approval by the National War Labor Board, and when so required by Executive Order No. 9250, by the Economic Stabilization Director.

(g) In the case of contracts executed after October 30, 1942, if the application states that a price adjustment (of either a lump, sum or cost plus contract) will be sought, a copy of such application shall be transmitted by the Wage Adjustment Board to the government agency at whose instance the project is being constructed, if such government agency has been excluded from the coverage of the Office of Price Administration's MPR No. 251.

Paragraph (n) is redesignated § 81.980n and paragraphs (a) and (b) are added as follows:

§ 81.980n *General Order No. 14* * * *

(a) *Appeals Committee.* The standing Tripartite Appeals Committee consists of:

For the War Department: Col. W. F. Volandt, assistant chief of staff, Army Air Forces, and Col. Ralph L. Hart, executive assistant to the Chief of Field Services, Ordnance Department.

For labor: John Brophy, director of industrial union councils of the CIO, and Fred Hewett, editor of the International Association of Machinists (AFL) Journal.

For industry: Clarence Skinner, Washington manager of the Automotive Parts and Equipment Manufacturers Association, and Henry S. Woodbridge, Assistant to the president of the American Optical Co.

(b) *Government-owned, privately-operated facilities.* The following Government-owned, privately-operated facilities are embraced within the delegation to the War Department Agency:

Government-owned, privately-operated Ordnance Facilities:

Alabama Ordnance Works #1 and 2—Sylacauga, Alabama.
Allegany Ordnance Plant—Cumberland, Maryland.
Arkansas Ordnance Plant—Jacksonville, Arkansas.
Badger Ordnance Works—Baraboo, Wisconsin.
Baytown Ordnance Works—Baytown, Texas.
Bluebonnet Ordnance Plant—McGregor, Texas.
Buckeye Ordnance Works—Ironton, Ohio.
Cactus Ordnance Works—Dumas, Texas.
Cherokee Ordnance Works—Danville, Pennsylvania.
Chickasaw Ordnance Plant—Millington, Tennessee.
Coosa River Ordnance Plant—Talladega, Alabama.
Cornhusker Ordnance Plant—Grand Island, Nebraska.
Denver Ordnance Plant—Denver, Colorado.
Des Moines Ordnance Plant—Des Moines, Iowa.
Dixie Ordnance Works—P. O. Box 1643, Monroe, Louisiana.
Dixon Gun Plant—Houston, Texas.
Eau Claire Ordnance Plant—Eau Claire, Wisconsin.
Evansville Ordnance Plant—Evansville, Indiana.
Elwood Ordnance Plant—Joliet, Illinois.
Gadsden Ordnance Plant—Gadsden, Alabama.
Gopher Ordnance Works—St. Paul, Minnesota.
Green River Ordnance Plant—Dixon, Illinois.
Gulf Ordnance Plant—Aberdeen, Mississippi.
Holston Ordnance Works—Kingsport, Tennessee.
Hoosier Ordnance Plant—Charlestown, Indiana.
Illinois Ordnance Plant—Carbondale, Illinois.
Indiana Ordnance Works—Charlestown, Indiana.
Iowa Ordnance Plant—Burlington, Iowa.
Jayhawk Ordnance Works—Pittsburgh, Kansas.
Kankakee Ordnance Works—Joliet, Illinois.
Kansas Ordnance Plant—Parsons, Kansas.
Kentucky Ordnance Works—Paducah, Kentucky.
Keystone Ordnance Works—Meadville, Pennsylvania.
Kingsbury Ordnance Plant—LaPorte, Indiana.
Kings Mill Ordnance Plant—Kings Mill, Ohio.
Lake City Ordnance Plant—Independence, Missouri.
Lake Ontario Ordnance Works—Youngstown, New York.
Lone Star Ordnance Plant—Texarkana, Texas.
Longhorn Ordnance Works—Marshall, Texas.
Louisiana Ordnance Plant—Shreveport, Louisiana.
Lowell Ordnance Plant—Lowell, Massachusetts.
Maumelle Ordnance Works—Little Rock, Arkansas.
Milwaukee Ordnance Plant—Milwaukee, Wisconsin.
Missouri Ordnance Works—Louisiana, Missouri.
Morgantown Ordnance Works—Morgantown, West Virginia.
Nebraska Ordnance Plant—Fremont, Nebraska.
New River Ordnance Plant—Pulaski, Virginia.
New York Ordnance Works—Baldwinsville, New York.
Oak Ordnance Plant—Decatur, Illinois.
Ohio River Ordnance Works—Henderson, Kentucky.
Oklahoma Ordnance Works—Tulsa, Oklahoma.
Ozark Ordnance Works—El Dorado, Arkansas.
Pantex Ordnance Plant—Amarillo, Texas.
Pennsylvania Ordnance Works—Williamsport, Pennsylvania.
Pilgrim Ordnance Works—West Hanover, Massachusetts.
Plum Brook Ordnance Works—Sandusky, Ohio.
Radford Ordnance Works—Radford, Virginia.
Ravena Ordnance Plant—Apco, Ohio.
St. Louis Ordnance Plant—St. Louis, Missouri.
Sangamon Ordnance Plant—Springfield, Illinois.
Scioto Ordnance Plant—Marion, Ohio.
Sunflower Ordnance Works—Lawrence, Kansas.
Twin Cities Ordnance Plant—Minneapolis, Minnesota.
Utah Ordnance Plant—Salt Lake City, Utah.
Vigo Ordnance Plant—Terre Haute, Indiana.
Volunteer Ordnance Plant—Chattanooga, Tennessee.
Wabash River Ordnance Works—Newport, Indiana.
Weldon Spring Ordnance Works—Weldon Springs, Missouri.
West Virginia Ordnance Works—Point Pleasant, West Virginia.
Wolf Creek Ordnance Plant—Milan, Tennessee.
Government Plant No. 1—Martin—Omaha, Nebraska.
Government Plant No. 2—North American—Kansas City, Kansas.
Government Plant No. 3—Douglas—Tulsa, Oklahoma.
Goevrnment Plant No. 4—Consolidated—Ft. Worth, Texas.
Government Plant No. 5—Douglas—Oklahoma City, Oklahoma.
Government Plant No. 6—Bell—Marietta, Georgia.
Government Plant No. 7—Fisher Body—Cleveland, Ohio.
Government Plant No. 8—Douglas—Chicago, Illinois.
Modification Center No. 1—Douglas—Daggett, California.
Modification Center No. 2—Consolidated—Tucson, Arizona.
Modification Center No. 3—Lockheed—Dallas, Texas.
Modification Center No. 4—North American—Kansas City, Kansas.
Modification Center No. 5—Curtiss-Wright—Buffalo, N. Y.
Modification Center No. 6—Republic—Evansville, Indiana.
Modification Center No. 7—Bell—Niagara Falls, New York.
Modification Center No. 8—Martin—Omaha, Nebraska.
Modification Center No. 9—Vultee—Louisville, Kentucky.
Modification Center No. 10—United Airlines—Cheyenne, Wyoming.
Modification Center No. 11—Northwest Airlines—Vandalia, Ohio.
Modification Center No. 12—Northwest Airlines—St. Paul, Minnesota.

Non-manual employees employed on the following fixed-fee engineers projects are embraced within the delegation to the War Department Agency.

ENGINEERS PROJECTS

Projects	*Nearest city*
Ainsworth Airfield	Ainsworth, Nebr.
Alabama Ordnance Works	Sylacauga, Ala.
Alexandria, Q. M. Depot	Alexandria, Va.
Allegany Ordnance Works	Cumberland, Md.
American Locomotive Co	Schenectady, N. Y.
Anacostia—Dalecarlia Reproduction Plant	Washington, D. C.
Anniston Ordnance Depot	Anniston, Ala.
Arlington Hall Station	Arlington, Va.
Atlanta Ordnance Motor Base	Atlanta, Ga.
Atterbury, Camp	Columbus, Ind.
Badger Ordnance Works	Baraboo, Wis.
Bartholomew County Airfield	Columbus, Ind.
Belle Meade Q. M. Depot	Read Valley, N. J.
Beltsville Air Support Command Base	Beltsville, Md.
Belvoir, Fort	Accotink, Va.
Big Springs Army Airfield	Big Springs, Tex.
Billings General Hospital	Indianapolis, Ind.
Bowman Field	Louisville, Ky.
Breckenridge, Camp	Morganfield, Ky.
Bruning Airfield	Bruning, Nebr.
Buckeye Ordnance Works	South Point, Ohio.
Buffalo Modification Center #5	Buffalo, N. Y.
Building 703–705 Columbia Pike	Arlington, Va.
Butler General Hospital	Butler, Pa.
Cactus Ordnance Works	Etter, Tex.
Camp Springs Airfield	Camp Springs, Md.

ENGINEERS PROJECTS—Continued

Projects	Nearest city
Careteret Ordnance Motor Reception Park	Carteret, N. J.
Castle Island Terminal	Boston, Mass.
Chaffee, Camp	Fort Smith, Ark.
Chanute Field	Rantoul, Ill.
Cherokee Ordnance Works	Danville, Pa.
Chicago Aircraft Assembly Plant	Chicago, Ill.
Chickasaw Ordnance Works	Millington, Tenn.
Clarksville Airfield	Clarksville, Tenn.
Cleveland Aircraft Assembly Plant	Cleveland, Ohio.
Colorado Springs Airfield	Colorado Springs, Colo.
Como Internment Camp	Como, Miss.
Congaree Ground Air Support	Congaree, S. C.
Corinth Tent Camp	Corinth, Miss.
Daggett Modification Center #1	Daggett, Calif.
Del Valle Airfield	Del Valle, Tex.
Detroit Tank Arsenal	Detroit, Mich.
Dickson Gun Plant	Houston, Tex.
Dix, Fort	Wrightstown, N. J.
Dix, Fort Airfield	Wrightstown, N. J.
Dixie Ordnance Works	Sterlingtown, La.
Dyersburg Airfield	Dyersburg, Tenn.
Eastaboga Air Base	Eastaboga, Ala.
Edgewood Arsenal	Edgewood, Md.
Evansville Ordnance Plant	Evansville, Ind.
Fairmont Airfield	Fairmont, Nebr.
Fall Creek Ordnance Plant	Indianapolis, Ind.
Fort Crook Modification Center #6	Fort Crook, Nebr.
Fort Worth Parts Plant	Fort Worth, Tex.
Fostoria Plant	Fostoria, Ohio.
Gainesville Airfield	Gainesville, Tex.
Gary Armor Plate Plant	Gary, Ind.
George Field	Lawrenceville, Ill.
Glasgow Airfield	Glasgow, Mont.
Gopher Ordnance Works	Rosemont, Minn.
Gore Airfield	Great Falls, Mont
Grand Island Airfield	Grand Island, Nebr.
Great Falls Army Airfield	Great Falls, Mont.
Green River Ordnance Plant	Amboy, Ill.
Greenwood Airfield	Greenwood, Miss.
Grenada Air Support Command Base	Grenada, Miss.
Haan, Camp	Riverside, Calif.
Haddon Hall Alterations	Atlantic City, N. J.
Hale, Camp	Pando, Colo.
Harrison, Fort Benjamin	Indianapolis, Ind.
Headquarters 2nd Army	Memphis, Tenn.
Holston Ordnance Works	Kingsport, Tenn.
Howze, Camp	Gainesville, Tex.
Huntsville Arsenal	Huntsville, Ala.
Indiana Ordnance Works	Charlestown, Ind.
Jackson General Hospital	Jackson, Miss.
Jayhawk Ordnance Works	Baxter Springs, Kans.
Jersey City Q. M. Sub Depot	Somerville, N. J.
Kankakee Ordnance Works	Joliet, Ill.
Kansas City Aircraft Assembly Plant	Kansas City, Kans.
Kansas City Q. M. Depot	Kansas City, Mo.
Kearney Airfield	Kearney, Nebr.
Keesler Field	Biloxi, Miss.
Kennedy General Hospital	Memphis, Tenn.
Kentucky Ordnance Works	Paducah, Ky.
Keystone Ordnance Works	Geneva, Pa.
Kingsbury Ordnance Plant	LaPorte, Ind.
Kodak Optical Works	Rochester, N. Y.
La Junta Airfield	La Junta, Colo.
Lake City Ordnance Plant	Independence, Mo.
Lake Ontario Ordnance Works	Modeltown, N. Y.
Langley Field	Hampton, Va.
Laurinburg-Maxton Air Base	Laurinburg, N. C.
Letterkenny Ordnance Depot	Chambersburg, Pa.
Lewis, Fort	Fort Lewis, Wash.
Lordstown Ordnance Depot	Lordstown, Ohio.
Louisiana Ordnance Plant	Minden, La.
Louisville Ordnance Depot	Louisville, Ky.

ENGINEERS PROJECTS—Continued

Projects	Nearest city
Lowell Ordnance Depot	Lowell, Mass.
McCain, Camp	Grenada, Miss.
Malden Basic Flying School	Malden, Mo.
Marietta Aircraft Assembly Plant	Atlanta, Ga.
Marshall Plant	New Martinsville, W. Va.
Maury Plant	Columbia, Tenn.
Memphis Airfield	Memphis, Tenn.
Memphis Q. M. Depot	Memphis, Tenn.
Milwaukee Ordnance Plant	Milwaukee, Wis.
Missouri Ordnance Works	Louisiana, Mo.
Monmouth, Fort	Red Bank, N. J.
Monticello Internment Camp	Monticello, Ark.
Morgantown Ordnance Works	Morgantown, W. Va.
National Park College	Forest Glen, Md.
New Orleans Port of Embarkation	New Orleans, La.
Newport News Staging Area	Newport News, Va.
New York Ordnance Works	Baldwinsville, N. Y.
Niagara Falls Modification Center #7	Niagara Falls, N. Y.
Niagara Falls Plant	Niagara Falls, N. Y.
Oklahoma City Aircraft Assembly Plant	Oklahoma City, Okla.
Oklahoma Ordnance Works	Choteau, Okla.
Orangeburg Staging Area	Orangeburg, N .Y.
Ozark Ordnance Works	El Dorado, Ark.
Paris Airfield	Paris, Tex.
Pehnsylvania Ordnance Works	Allenwood, Pa.
Pentagon Building	Arlington, Va.
Phillips, Camp	Salina, Kans.
Pierre Airfield	Pierre, S. Dak.
Pine Bluff Arsenal	Pine Bluff, Ark.
Pollock Air Support Command Base	Pollock, La.
Port Newark	Newark, N. J.
Portage Ordnance Depot	Ravenna, Ohio.
Potomac River Emergency Railroad Crossing	Arlington, Va.
Pueblo Ordnance Depot	Pueblo, Colo.
Radford Ordnance Works	Radford, Va.
Reading Airfield	Reading, Pa.
Red River Ordnance Depot	New Boston, Tex.
Redstone Ordnance Plant	Huntsville, Ala.
Richmond Holding and Reconsignment Point	Richmond, Va.
Richmond Q. M. Depot	Richmond, Va.
Rocky Mountain Arsenal	Labora, Colo.
Rome Army Air Depot	Rome, N. Y.
Russell City Airfield	Russell City, Calif.
Ruston Internment Camp	Ruston, La.
St. Louis Ordnance Plant	St. Louis, Mo.
St. Louis Plant	St. Louis, Ill.
St. Paul Ford Plant	St. Paul, Minn.
St. Paul Modification Center #12	St. Paul, Minn.
Sangamon Ordnance Plant	Illiopolis, Ill.
Scioto Ordnance Plant	Marion, Ohio.
Scribner Airfield	Scribner, Nebr.
Seneca Ordnance Depot	Kendia, N. Y.
Selman Field	Monroe, La.
Seymour Airfield	Seymour, Ind.
Shenango Personnel Replacement Depot	Transfer, Pa.
Sibert, Camp	Gadsden, Ala.
Sioux City Airfield	Sioux City, Iowa.
Stout Field	Indianapolis, Ind.
Sturgis Airfield	Sturgis, Ky.
Sunflower Ordnance Plant	Eudora, Kans.
Terre Haute Ordnance Depot	Terre Haute, Ind.
Topeka Army Airfield	Topeka, Kans.
Topeka General Hospital	Topeka, Kans.
Tucson Modification Center #2	Tucson, Ariz.
Tuskegee Army Flying School	Tuskegee, Ala.
Twin Cities Ordnance Plant	St. Paul, Minn.
Valley Forge General Hospital	Phoenixville, Pa.
Van Dorn, Camp	Centerville, Miss.
Victory Ordnance Plant	Decatur, Ill.

ENGINEERS PROJECTS—Continued

Projects	*Nearest city*
Vigo Ordnance Plant	Terre Haute, Ind.
Volunteer Ordnance Works	Chattanooga, Tenn.
Wabash River Ordnance Works	Newport, Ind.
Walnut Ridge Airfield	Walnut Ridge, Ark.
Walterboro Airfield	Walterboro, S. C.
Washington, Fort	Silesia, Md.
West Virginia Ordnance Works	Point Pleasant, W. Va.
Woodrow Wilson General Hospital	Staunton, Va.
Wright Field	Dayton, Ohio.

Paragraph (o) is redesignated § 81.980o as follows:

§ 81.980o *General Order No. 15.*

* * *

Paragraph (p) is redesignated § 81.980p and paragraph (a) is added as follows:

§ 81.980p *General Order No. 16.*

* * *

(a) Adjustments under this order of wage and salary rates of females employed in facilities embraced within the delegation provided for in General Order No. 14 (§ 81.980n) should be reported to the Wage Administration Section within the Civilian Personnel Division, Headquarters, Services of Supply, instead of as provided in clause (1) above.

Sections 81.980q to 81.980y, inclusive, are added as follows:

§ 81.980q *General Order No. 17.*

(a) The National War Labor Board authorizes the Office of Price Administration in establishing area pay scales for its local board clerks to apply in each area the appropriate area pay scale set forth in the instructions contained in its Field Administrative Letter No. 7, Revised, Supplement Number 1; *Provided, however,* That before any such pay scale is made effective it must be certified by the Regional Director of the National War Labor Board that the pay scale appropriate to the area has been properly chosen in accordance with the provisions of said instructions.

(b) Upon approval by the Regional Director the new rates shall apply to all new appointments, promotions, demotions, transfers, and replacements, but they shall not be applied to reduce the rates of pay of present employees in their present positions.

(c) The Office of Price Administration shall file with the Board's appropriate Regional Office copies of any proposed changes in area pay scales, and shall supply any other information or reports the Boards may require.

(d) The Regional Director is hereby authorized to approve such proposed changes in area pay scales, when so filed, unless he finds them inconsistent with Executive Order 9250 and the policies and orders of the National War Labor Board. His action on such proposed changes shall be subject to the review provided in the Board's "Procedure in Cases of Voluntary Applications for Wage Adjustments by Private Employers."

§ 81.980r *General Order No. 18.*

(a) The National War Labor Board hereby delegates to the Secretary of the Navy, to be exercised in his behalf by the Office of the Assistant Secretary of the Navy (hereinafter referred to as "The Navy Department Agency"), power to rule upon all applications for wage and salary adjustments (insofar as approval thereof has been made a function of the National War Labor Board), covering civilian employees within the continental limits of the United States and Alaska, employed directly by the Navy Department (but excluding persons employed in government owned, privately operated facilities of the Navy Department), all in accordance with the further provisions of this order.

(b) In the performance of its duties hereunder the Navy Department Agency shall comply with the terms of Executive Order No. 9250, dated October 3, 1942, and all General Orders and policies of the National War Labor Board, heretofore or hereafter, announced thereunder. The Navy Department Agency, without making an initial ruling thereon, may refer to the Board for decision by the Board, any case which in the opinion of the Agency presents doubtful or disputed questions of sufficient seriousness and import to warrant direct action by the Board.

(c) The Navy Department Agency shall transmit to the Review and Analysis Division of the National War Labor Board copies of its rulings and rules of procedure, if any, and such additional data and reports as said Division or the Board may from time to time deem necessary.

(d) Any ruling by the Navy Department Agency or the Secretary of the Navy, hereunder shall be final, subject to the National War Labor Board's ultimate power to review rulings on its own initiative.

(e) Any ruling by the Navy Department Agency or the Secretary of the Navy hereunder shall be deemed to be the act of the National War Labor Board, unless and until reversed or modified by the Board. Any such order of reversal or modification shall allow a period of two weeks from the date of the Board's order within which to comply with the order.

§ 81.980s *General Order No. 19.*

(a) The Board of Governors of the Federal Reserve System and any of the twelve Federal Reserve Banks, which proposes to make adjustments in the salaries or wages of their employees not fixed by statute, which would otherwise require the prior approval of the National War Labor Board, may make such adjustment on certification to the Board that the adjustment is necessary to correct maladjustments, or to correct inequalities, or gross inequities, as defined in the Board's Statement of Wage Policy of November 6, 1942, and any other General Order or policy heretofore or hereafter announced thereunder.

(b) A certificate by the official authorizing the adjustments, stating the nature and amount of such adjustment and briefly setting forth the facts meeting the foregoing requirements will be accepted by the Board as sufficient evidence of the propriety of the adjustment, subject to review by the Board. Modification by the Board of adjustments made pursuant hereto shall not be retroactive.

(c) In the case of adjustments made hereunder by any of the twelve Federal Reserve Banks, the certificate above mentioned shall, prior to transmittal to the Joint Committee hereafter described, be transmitted to and shall be subject to the approval of the Board of Governors of the Federal Reserve System.

(d) The certificate prescribed herein, together with four (4) copies thereof, shall be filed promptly with the Committee established by joint action of the National War Labor Board and the Commissioner of Internal Revenue, namely, the Joint Committee on Salaries and Wages, Room 5406, Department of Labor Building, Washington, D. C., which will forward the same to the Board or Commissioner, as the case may require.

(e) The certification procedure shall not apply to any adjustment which would raise salaries or wages beyond the prevailing level of compensation for similar services in the area or community. In exceptional cases where such an adjustment is sought, and in all cases where an adjustment is sought other than by the certification procedure, application for approval shall be filed with the appropriate regional office of the National War Labor Board.

§ 81.980t *General Order No. 20.*

(a) The United States Employment Service or any of its state administrative offices which proposes to make adjustments in the salaries or wages of its employees not fixed by statute, which would otherwise require the prior approval of the National War Labor Board, may make such adjustment on certification to the Board that the adjustment is necessary to correct maladjustments or to correct inequalities or gross inequities, as defined in the Board's Statement of Wage Policy of November 6, 1942, and any other General Order or policy heretofore or hereafter announced thereunder.

(b) A certificate by the appropriate official of the United States Employment Service stating the nature and amount of such adjustment, and briefly setting forth the facts meeting the foregoing requirement, will be accepted by the Board as sufficient evidence of the propriety of the adjustment, subject to review by the Board. Modification by the Board of adjustments made by the United States Employment Service or one of its state administrative offices acting pursuant hereto shall not be retroactive.

(c) The certificate prescribed herein, together with four copies thereof, shall be filed promptly with the committee established by joint action of the National War Labor Board and the Commissioner of Internal Revenue, namely, the Joint Committee on Salaries and Wages, Room 5406, Department of Labor Building, Washington, D. C., which will forward the same to the Board or the Commissioner, as the case may require.

(d) The certification procedure shall not apply to any adjustment which would raise salaries or wages beyond the prevailing level of compensation for similar services in the area or community. In exceptional cases where such an adjustment is sought, application for approval shall be filed with the appropriate Regional Office of the National War Labor Board.

§ 81.980u *General Order No. 21.*

(a) The National War Labor Board hereby delegates to the Secretary of the Interior, to be exercised on his behalf by the Special Adviser on Labor Relations to the Secretary of the Interior (hereinafter referred to as the Interior Department Agency), the power to approve or disapprove all applications for wage and salary adjustments (insofar as approval thereof has been made a function of the National War Labor Board) covering employees of the Interior Department within the continental limits of the United States and Alaska whose wages or salaries are not fixed by statute, all in accordance with the further provisions of this order.

(b) In the performance of its duties hereunder the Interior Department Agency shall comply with the terms of Executive Order 9250, dated October 3, 1942 and any other General Order or policy of the National War Labor Board heretofore or hereafter issued thereunder. The Interior Department Agency, without making an initial ruling thereon may refer to the Board, for decision by the Board, any case which in the opinion of the agency presents doubtful or disputed questions of sufficient seriousness and import to warrant direct action by the Board.

(c) The Interior Department Agency shall transmit to the Review and Analysis Division of the National War Labor Board copies of its rulings, and rules of procedure, if any, as they are issued, and such additional data and reports as said Division or the Board may from time to time deem necessary.

(d) Any ruling by the Interior Department Agency hereunder shall be deemed to be the act of the National War Labor Board and shall be final subject to the National War Labor Board's ultimate power to review rulings on its own initiative, and to reverse or modify the same. Any such order of reversal or modification shall not be retroactive and shall allow the Interior Department Agency a period of two weeks from the date of the Board's order, within which to comply with the order.

(e) Nothing herein contained shall be construed as affecting the advisory duties and functions of the following Wage Boards heretofore constituted by order of the Secretary of the Interior and any similar Boards so constituted in the future:

(1) Boulder Canyon Project Wage Board.
(2) Columbia Basin Project Wage Board.
(3) Central Valley Project Wage Board.
(4) Parker Dam Power Project Wage Board.
(5) Boulder City Experiment Station Wage Board.

§ 81.980v *General Order No. 22.*

(a) No clause contained in any labor agreement, commonly known as an "escalator clause," relating to wages or salaries subject to the jurisdiction of the National War Labor Board, regardless of when the agreement was made, which provides for an adjustment in wage rates after October 3, 1942 because of changes in the cost of living, shall be enforced, where such adjustment would result in excess of fifteen percent above the average straight time hourly rates or equivalent salary rates prevailing on January 1, 1942.

(b) Adjustments within the fifteen percent limit must be submitted for approval by the Board in the usual manner.

§ 81.980w *General Order No. 23.*

(a) The National War Labor Board hereby delegates to the Territorial Representative of the Wage and Hour and Public Contracts Divisions of the United States Department of Labor power to rule upon all questions and disputes concerning, and all applications for approval of, wage and salary adjustments (insofar as salary adjustments are within the jurisdiction of the National War Labor Board) within the Territory of Alaska, except as otherwise provided in General Orders of the National War Labor Board.

(b) In the performance of his duties, the Territorial Representative shall comply with the terms of Executive Order No. 9250 dated October 3, 1942, the National War Labor Board's wage stabilization policy, and all applicable General Orders and regulations of the National War Labor Board.

(c) An appeal may be taken from any ruling of the Territorial Representative to the National War Labor Board Advisory Board for Alaska, hereinafter called the Alaska Advisory Board. The Alaska Advisory Board shall consist of nine (9) members, to be appointed by the National War Labor Board. Three of its members shall be representatives of the public, three of employers, and three of employees. Six members, two of whom shall be from each group, shall constitute a quorum.

(d) It shall be the duty of the Territorial Representative to transmit copies of all rulings to the Alaska Advisory Board which shall have the power to review on its own initiative all rulings of the Territorial Representative.

(e) Any ruling of the Alaska Advisory Board shall be final, subject to the National War Labor Board's ultimate power to review rulings on its own initiative or on the request of any member of the Alaska Advisory Board. No action of the National War Labor Board with respect to rulings of the Alaska Advisory Board will be retroactive.

§ 81.980x *General Order No. 24.*

(a) The National War Labor Board hereby delegates to the Secretary of Agriculture, to be exercised on his behalf by the Director of Personnel of the Department of Agriculture (hereafter referred to as Agriculture Department Agency), the power to approve or disapprove all applications for wage and salary adjustments (insofar as approval thereof has been made a function of the National War Labor Board) covering employees of the Department of Agriculture, and employees of instrumentalities of the Department of Agriculture, within the continental limits of the United States and Alaska whose wages and salaries are not fixed by statute, including

(1) Employees and members of Agricultural Conservation Committee.
(2) Employees under cooperative agreements.
(3) Employees of agencies under supervision of the Farm Credit Administration, and
(4) Persons engaged in the administration of marketing agreements, orders, and licenses.

all in accordance with the further provisions of this order.

(b) In the performance of its duties hereunder, the Agriculture Department Agency shall comply with the terms of Executive Order 9250, dated October 3, 1942 and any General Order or policy of the National War Labor Board heretofore or hereafter issued thereunder. The Agriculture Department Agency, without making an initial ruling thereon, may refer to the Board, for decision by the Board, any case which, in the opinion of the Agency presents doubtful or disputed questions of sufficient seriousness and import to warrant direct action by the Board.

(c) The Agriculture Department Agency shall transmit to the Review and Analysis Division of the National War Labor Board monthly reports of its rulings, and copies of its rules of procedure, if any, as they are issued, and such additional data and reports as said Division or the Board may from time to time deem necessary.

(d) Any ruling by the Agriculture Department Agency hereunder shall be deemed to be the act of the National War Labor Board and shall be final, subject to the National War Labor Board's ultimate power to review rulings on its own initiative, and to reverse or modify the same. Any such order or reversal or modification shall not be retroactive and shall allow the Agriculture Department Agency a period of two weeks from the date of the Board's order, within which to comply with the order.

§ 81.980y *General Order No. 25.*

(a) The National War Labor Board hereby delegates to the Board of Directors of the Tennessee Valley Authority the power to approve or disapprove all applications for wage and salary adjustments (insofar as approval thereof has been made a function of the National War Labor Board) of employees of the Tennessee Valley Authority, in accordance with the further provisions of this order.

(b) In the performance of its duties hereunder the Board of Directors of the Tennessee Valley Authority shall comply with Executive Order 9250, dated October 3, 1942, and all regulations heretofore or hereafter issued thereunder, and with the declaration of wage policy of the National War Labor Board, dated November 6, 1942. The Board of Directors of the Tennessee Valley Authority, without making an initial ruling thereon may refer to the National War Labor Board, for decision by the Board, any application which in its opinion presents doubtful or disputed questions of sufficient seriousness and import to warrant direct action by the Board.

(c) The Board of Directors of the Tennessee Valley Authority shall transmit to the Review and Analysis Division of the National War Labor Board copies of its rulings, and rules of procedure, if any, as they are issued, and such additional data and reports as said Division or the Board may from time to time deem necessary.

(d) Any ruling by the Board of Directors of the Tennessee Valley Authority hereunder shall be deemed the act of the National War Labor Board and shall be final, subject to the National War Labor Board's right to review rulings on its own motion, and to reverse or modify the same. Any such reversal or modification shall not be retroactive and shall allow the Tennessee Valley Authority a period of two weeks for compliance.

Sections 81.981, 81.981a, 81.981b and 81.981c are added as follows:

§ 81.981 *Interpretations of National War Labor Board.* From time to time the National War Labor Board interprets Executive Order No. 9250 and specific provisions of the Order. Such interpretations are helpful in determining the applicability of the Order to various types of situations. Where such interpretations are pertinent to a specific provision of the Executive Order or to one of the NWLB's General Orders, the interpretation will be found under the appropriate paragraph of the Procurement Regulations. Where, however, the interpretations are of a general nature they will be set forth in the succeeding sections which are designated §§ 81.981a, 81.981b, and 81.981c.

§ 81.981a *Overtime compensation; 48 hour week.*

Question: Where the custom and practice in an establishment has been for employees to be paid overtime compensation for all hours in excess of 48 hours per week and to receive pro rata reductions from their weekly salaries in the event they work less than 48 hours per week, may the payment of such additional compensation and the decreases in salaries be continued without the approval of the National War Labor Board?

Answer: Yes. (Letter of General Counsel of NWLB dated December 19, 1942.)

§ 81.981b *Overtime compensation; no limitation in number of hours per week.*

Question: Where an employee is hired for a stipulated weekly salary without any limitation on the number of hours to be worked, may the employer pay overtime without the approval of the National War Labor Board?

Answer: No, unless the Company is under the Fair Labor Standards Act whch provides that all employees engaged in interstate commerce or the production of goods for interstate commerce shall be paid time and one-half for all hours in excess of 40 hours per week. Executive Order 9250 does not affect the operation of the Fair Labor Standards Act or of the Walsh-Healey Act. (Letter of General Counsel of NWLB dated December 19, 1942.)

§ 81.981c *Overtime compensation, 40 hour week.*

Question: Where an employee is paid for a 40-hour week, with a provision that overtime be paid for all hours over 40 hours per week, with no provision that there be any reduction if less than 40 hours per week are worked, may the amount of salary be reduced

for any week in which less than 40 hours are worked, without the approval of the National War Labor Board?

Answer: No. (Letter of General Counsel of NWLB dated December 19, 1942.)

Sections 81.1113 to 81.1116, inclusive, are added as follows:

§ 81.1113 *Procedure for handling litigation involving cost-plus-a-fixed-fee contractors*—(a) *General.* It is of the utmost importance that The Judge Advocate General be promptly notified of the institution of all suits in which the interests of the United States are involved including all suits against cost-plus-a-fixed-fee contractors and subcontractors. This will make it possible to take steps to remove suits instituted in state courts to the federal courts and to take all other steps necessary to protect the interests of the Government. Likewise it is essential that the information furnished be full and complete and not fragmentary.

(b) *Procedure.* The following procedure is prescribed with respect to litigation involving cost-plus-a-fixed-fee contractors and subcontractors:

(1) Such contractors should be advised immediately upon receipt of process in any action filed against them to furnish a copy of all papers to the contracting officer or appropriate War Department representative. This will be in addition to any similar requirement of any outstanding insurance policy.

(2) Teletype, radio, or telegraphic notification of such suit should be sent immediately to The Judge Advocate General, Washington, D. C., by the War Department representative in charge of the project or activity out of which the suit arises, giving all pertinent facts concerning the suit. In the usual case, these facts will include the court in which the suit has been filed, the names of parties to the suit, the date of service of process, a statement of the alleged cause of action, the amount sued for, the date on which answer to the suit must be filed, a statement of the principal defense to the suit which the defendant may raise, and a statement as to whether the amount sued for is fully covered by insurance and if so, whether or not the insurance carrier will accept full responsibility for the defense of the suit.

(3) Copies in triplicate of all suit papers and a statement of available facts will be forwarded immediately to The Judge Advocate General, Washington, D. C. If a board of inquiry is convened to investigate, or acts on the case, copies of all reports of the board's proceedings and findings will be included in the papers transmitted. Since The Judge Advocate General, has the duty of maintaining all War Department legal liaison with the Department of Justice and other Government departments, the chief of the supply service concerned, upon request of The Judge Advocate General, will immediately transmit to his office any information in his possession that may be requested. Requests for Government representation will not be made to the Department of Justice by War Department field representatives but will be made directly to The Judge Advocate General. Violations of this well-established War Department policy have caused confusion and prevented proper co-ordination in the handling of litigation with the Department of Justice.

(4) The agreement for representation to be signed by the cost-plus-a-fixed-fee contractor or other defendant, three copies of which will be forwarded to The Judge Advocate General, Washington, D. C., will read as follows:

> The undersigned hereby requests the Attorney General of the United States to designate counsel to defend on behalf of the undersigned the action entitled _____ v. _____. It is further understood that by assuming the defense of said action, the obligations of the United States under United States Contract No. _____ are not altered or increased; it is further agreed that such representation will not be construed as a waiver or estoppel of any rights which any interested party may have under said contract.

§ 81.1114 *Track; scaling of loaded railroad cars.* Provisions should not be inserted in construction or supply contracts in which payment for the materials or supplies is based on "railroad weights." The result of inserting such a provision is frequently to require railroads to incur unnecessary delay and expense in arriving at such weights, sometimes necessitating back-hauling for track-scaling. The railroads through territorial weighing bureaus enter into agreements with many of the shippers under which the railroads accept the invoice-weight of the shipper subject to periodical checks and test weights. This avoids the necessity for track-scaling the car. All reference to "railroad weights" will be omitted from requests for quotations or estimates and from the resulting contracts or orders for all materials and supplies including coal. Particular care should be taken to insure that the words "railroad weights" do not appear in the Schedule of Supplies (Schedule A) of future contracts or in any "Instructions to Bidders" or Purchase Conditions. In lieu of the words "railroad weights", there will be inserted the words "weights acceptable to railroad for freight charge purposes." Outstanding construction and supply contracts containing the words "railroad weights" should be amended to change those words to the wording indicated above. Reference is made to War Department Circular No. 284, 1942 for the terms of the War Department Traffic Weight Agreement entered into by the War Department with representatives of certain carriers.

§ 81.1115 *Reports of criminal conduct in connection with War Department contracts.* (a) There has been set up in the Criminal Division of the Department of Justice a special unit whose duty it is to take appropriate action as expeditiously as possible in all cases in which criminal conduct is shown to exist in connection with contracts entered into by the Government with business concerns in connection with the war program.

(b) The Under Secretary of War desires that a report be made to his office of any instances of criminal conduct in connection with War Department contracts. A report of such an instance should contain a full statement of the facts indicating criminal conduct. Such reports to the Under Secretary of War should be transmitted through channels to the Director, Purchases Division, Headquarters, Services of Supply, for submission to the Office of the Under Secretary.

§ 81.1116 *Ordering of spare parts.* The chief of each supply service will adopt definite policies with respect to the ordering of spare parts for use in connection with all equipment purchased.

(a) Every order providing for the delivery of air-cooled engines of 32 horsepower and under, or for units of which such engines are a component part, shall provide for delivery simultaneously with the first shipment of engines of not less than 10% of the total engine spare parts called for in such order. Such order shall further provide for the subsequent delivery of spare parts so that when 20% of the engines have been delivered at least 30% of all such spare parts will likewise have been delivered and so that deliveries of spare parts shall thereafter parallel deliveries of engines.

FORMS OF CONTRACTS

The introductory paragraph preceding § 81.1301 is amended and War Department Contract Form No. 13 is added in proper sequence as follows:

The contract forms contained in § 81.1301 et seq. [listed in the Table of Contents below] are approved for use for War Department purchases, subject to §§ 81.322–81.361, inclusive. It should be noted that many of the contract articles are set out by reference to said sections. In preparing contracts the standard clauses contained in the articles referred to will be set out only if, and to the extent that, their inclusion is required by the provisions of the sections referred to. There will be set out such of the other clauses contained in §§ 81.322–81.361, not expressly referred to in the form, as are required for any particular contract. In certain cases it will be necessary to make certain editorial changes in the clauses contained in §§ 81.322–81.361, so that certain words or phrases used throughout the contract will be in conformity.

War Depart. Contract Form No.	Description	Section
* *	* *	*
13	War Supplies Limited	81.1313
* *	* *	*

Section 81.1301 (c) is amended as follows:

§ 81.1301 *W. D. Contract Form No. 1*

* * * * *

(c) ART. 3. *Extras.* Except as otherwise herein provided, no charge for extras will be allowed unless the same have been ordered in writing by the Contracting Officer and the price stated in such order.

(NOTE: For alternative form of this article see Procurement Regulation 3, paragraph 829–A. (§ 81.329a)).

(d) ART. 4. *Inspection.* (a) All material and workmanship shall be subject to inspection and test at all times and places and, when practicable, during manufacture. In case any articles are found to be defective in material or workmanship, or otherwise not in conformity with the specification requirements, the Government shall have the right to reject such articles, or require their correction. Rejected articles, and/or articles requiring correction, shall be removed by and at the expense of the Contractor promptly after notice so to do. If the Contractor fails to promptly remove such articles and to proceed promptly with the replacement and/or correction thereof, the Government may, by contract or otherwise replace and/or correct such articles and charge to the Contractor the excess cost occasioned the Government thereby, or the Government may terminate the right of the Contractor to proceed as provided in Article 5 of this contract, the Contractor and surety being liable for any damage to the same extent as provided in said Article 5 for terminations thereunder.

* * * * *

Section 81.1302 is amended as follows:

§ 81.1302 *W. D. Contract Form No. 2.*

* * * * *

(i) ART. 9. *Delays, damages.* If the contractor refuses or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in article 1, or any extension thereof, or fails to complete said work within such time, the Government may, by written notice to the contractor, terminate his right to proceed with the work or such part of the work as to which there has been delay. In such event the Government may take over the work and prosecute the same to completion, by contract or otherwise, and the contractor and his sureties shall be liable to the Government for any excess cost occasioned the Government thereby. If the contractor's right to proceed is so terminated, the Government may take possession of and utilize in completing the work such materials, appliances, and plant as may be on the site of the work and necessary therefor; *Provided,* That the right of the contractor to proceed shall not be terminated under this article because of any delays in the completion of the work due to unforeseeable causes beyond the control and without the fault or negligence of the contractor, including, but not restricted to acts of God, or of the public enemy, acts of the Government (including, but not restricted to any preference, priority or allocation order), acts of another contractor in the performance of a contract with the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes, if the contractor shall within 10 days from the beginning of any such delay (unless the contracting officer, with the approval of the Secretary of War or his duly authorized representative, shall grant a further period of time prior to the date of final settlement of the contract) notify the contracting officer in writing of the causes of delay, who shall ascertain the facts and the extent of the delay and extend the time for completing the work when in his judgment the findings of fact justify such an extension, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to appeal within 30 days, by the contractor to the Secretary of War or his duly authorized representative, whose decision on such appeal as to the facts of delay and the extension of time for completing the work shall be final and conclusive on the parties hereto.

* * * * * *

(k) ART. 11. *Labor.* (a) (Insert [¶ 346] § 81.346))

(b) (Insert [¶ 346–A] (§ 81.346a))

(c) (Insert [¶ 345] (§ 81.345))

(aa) ART. 27 *Accident prevention.* (Insert [¶360] (§ 81.360))

(bb) ART. 28 *Definitions.*

* * * * *

(cc) ART. 29 *Alterations.*

* * * * *

Articles X and XI of § 81.1303 are amended as follows:

§ 81.1303 *W. D. Contract Form No. 3.*

* * * * *

ART. X *Labor.*

* * * * *

4. Insert [¶346–A] (§ 81.346a)

* * * * *

ART. XI *Accident prevention.* (Insert [¶360] (§ 81.360))

In § 81.1304 the following changes are made. Paragraph 2 of Article III–E is deleted and a cross reference to § 81.359 is substituted therefor; Articles III–K and III–T are amended.

§ 81.1304 *W. D. Contract Form No. 4.*

* * * * *

ART. III–E *Reimbursement for expenditures.*

* * * * *

o. Reimbursement under this Article shall include all actual expenditures directly chargeable to the work and services provided herein performed at the Architect-Engineer's home office, its field office, or elsewhere. (Insert [¶359] (§ 81.359))

3. No salary, wages or * * *

ART. III–K *Changes in work or services.*

1. The Contracting Officer may at any time by written order issue additional instructions, require additional work or services or direct the omission of work or services covered by this contract. If such changes cause a material increase or decrease in the amount or character of the work and services to be done under this contract an equitable adjustment of the amount of the fixed fee to be paid the Architect-Engineer shall be made and the contract shall be modified in writing accordingly. Any claim for adjustment under this Article must be asserted within 10 days from the date the change is ordered (unless the Contracting Officer, with the approval of the Secretary of War or his duly authorized representative, shall grant a further period of time prior to the date of final settlement of the contract). Nothing provided in this Article shall excuse the Architect-Engineer from proceeding with the prosecution of the work so changed. There shall be no adjustment in the amount of the fixed fee as provided herein, nor any claim therefor because of any errors and/or omissions made in computing the estimated cost of the work under this contract or where the actual cost varies from the estimated cost.

* * * * *

ART. III–T *Accident prevention.* (Insert [360] (§ 81.360))

* * * * *

In § 81.1312 the following changes are made. Article VII is amended; subparagraph *e* of paragraph 3 in Article XI is deleted and cross reference to § 81.359 is substituted; and Article XXI is deleted and cross reference to § 81.360 is substituted.

§ 81.1312 *W. D. Contract Form No. 12.*

* * * * *

ART. VII. *Changes.* 1. The Contracting Officer may at any time by written order issue additional instructions, require additional work or services or direct the omission of work or services covered by this contract. If such changes cause a material increase or decrease in the amount or character of the work and services to be done under this contract an equitable adjustment of the amount of the fixed fee to be paid the Architect-Engineer shall be made and the contract shall be modified in writing accordingly. Any claim for adjustment under this Article must be asserted with 10 days from the date the change is ordered (unless the Contracting Officer, with the approval of the Secretary of War or his duly authorized representative, shall grant a further period of time prior to the date of final settlement of the contract). Nothing provided in this Article shall excuse the Architect-Engineer from proceeding with the prosecution of the work so changed. There shall be no adjustment in the amount of the fixed fee as provided herein, nor any claim therefor because of any errors and/or omissions made in computing the estimated cost of the work under this contract or where the actual cost varies from the estimated cost.

* * * * * *

ART. XI. *Cost of the work.*

* * * * *

GENERAL

3. *Reservations by Government.*

* * * * *

e. (Insert § 81.359)

* * * * *

ART. XXI. (Insert § 81.360)

* * * * *

Section 81.1313 is added as follows:

§ 81.1313 *War Department Contract Form No. 13.*

Contract No. _____

CONTRACT

(Supplies)

WAR DEPARTMENT

WAR SUPPLIES LIMITED

Contract for: Amount $_____

Place

The Finance Officer, United States Army, _____, _____, _____ is designated as the officer to make payments in accordance with this contract.

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to Procurement Authority_____ available balance of which is sufficient to cover cost of same. This contract is authorized by the following laws:

This contract, entered into this _____ day of _____, 19__, by The United States of America, hereinafter called the Government, represented by the Contracting Officer executing this contract, and War Supplies Limited, a corporation organized and existing under the laws of the Dominion of Canada, hereinafter called the Contractor, with its principal office of the city of Ottawa, Province of Ontario, witnesseth that the parties hereto do mutually agree as follows:

ART. 1. *Standard of payment.* All prices, costs and amounts set out or referred to in this contract are in United States Dollars.

ART. 2. *Scope of this contract.* (Insert [¶ 1301.1] (§ 81.1301 (a))

ART. 3. *Changes.* (Insert [¶ 1301.2] (§ 81.-1301 (b))

ART. 4. *Extras.* (Insert [¶ 1301.3] (§ 81.-1301 (c))

ART. 5. *Inspection.* (a) All material and workmanship shall be subject to inspection and test at all times and places and, when practicable, during manufacture. In case any articles are found to be defective in material or workmanship, or otherwise not in conformity with the specification requirements, the Government shall have the right to reject such articles, or require their correction. Rejected articles, and/or articles requiring correction, shall be removed by and at the expense of the Contractor promptly after notice so to do. If the Contractor fails to promptly remove such articles and to proceed promptly with the replacement and/or correction thereof, the Government may, by contract or otherwise replace and/or correct such articles and charge to the Contractor the excess cost occasioned the Government thereby, or the Government may terminate the right of the Contractor to proceed as provided in Article 6 of this contract, the Contractor being liable for any damage to the same extent as provided in said Article 6 for terminations thereunder.

(b) If inspection and test, whether preliminary or final, are made on the premises of the Contractor or subcontractor, the Contractor shall furnish, without additional charge, all reasonable facilities and assistance for the safe and convenient inspections and tests required by the inspectors in the performance of their duty. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. Special and performance tests shall be as described in the specifications. The Government reserves the right to charge to the Contractor any additional cost of inspection and test when articles are not ready at the time inspection is requested by the Contractor.

(c) Final inspection and acceptance of materials and finished articles will be made after delivery, unless otherwise stated. If final inspection is made at a point other than the premises of the Contractor or subcontractor, it shall be at the expense of the Government except for the value of samples used in case of rejection. Final inspection shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud. Final inspection and acceptance or rejection of the materials or supplies shall be made as promptly as practicable, but failure to inspect and accept or reject materials or supplies shall not impose liability on the Government for such materials or supplies as are not in accordance with the specifications. In the event public necessity requires the use of materials or supplies not conforming to the specifications, payment therefor shall be made at a proper reduction in price.

ART. 6. *Delays-damages.* (Insert]¶ 352[(§ 81.352))

ART. 7. *Responsibility for supplies tendered.* (Insert [¶ 1301.6] (§ 81.1301 (f))).

ART. 8. *Increase or decrease.* Unless otherwise provided herein, no increase or decrease in the total number of articles contracted for under Article 2 hereof, will be accepted, without the prior written approval of the Contracting Officer. (or insert [¶ 329] (§ 81.329))

ART. 9. *Payments.* (Insert [¶ 1301.8] (§ 81.-1301 (h)))

ART. 10. *Officials not to benefit.* (Insert [¶ 322] (§ 81.322))

ART. 11. *Covenant against contingent fees.* (Insert [¶ 323] (§ 81.323))

ART. 12. *Disputes.* (Insert [¶ 326] (§81.-326))

ART. 13. *Termination for convenience of Government.* (Insert [¶ 324] (§ 81.324 (a)))

ART. 14. *Assignment of claims.* (Insert [¶ 355] (§ 81.355))

ART. 15. *Notice of shipments.* (Insert [¶ 328] (§ 81.328))

ART. 16. *Patents.* The Contractor shall hold and save the Government, its officers, agents, servants, and employees harmless from liability of any nature or kind, including costs and expenses, for or on account of any invention, article, or appliance patented under the laws of Canada, manufactured or used in the performance of this contract, including their use by or for the Government.

The Government shall hold and save the Contractor, its representatives, agents, and subcontractor harmless from all liability under judgments by courts of competent jurisdiction, that may be obtained against the Contractor, its representatives, agents, and subcontractors, because of the use of any invention patented under the laws of the United States, specifically prescribed and authorized in writing by the Government as necessary for the performance of this contract, or the use of any invention patented under the laws of the United States which necessarily flows from the nature of the thing being produced or procured under this contract, but not otherwise: *Provided,* That such United States Letters Patent so used are not owned or controlled by the Canadian Government, the Contractor, its representatives, subcontractors, or persons in privity with the Contractor; and *Provided further,* That immediate notice of any demand, liability, or legal proceedings arising from such use is given in writing by the Contractor to the Contracting Officer, and reserving to the Government the right to intervene in any such demand or proceeding and in its discretion to defend same or make settlement thereof, and the Contractor shall furnish all information in its possession and all assistance of its employees, representatives, or agents requested by the Government.

ART. 17. *Patent licenses.* (a) The Contractor agrees to, and does hereby, in consideration of the terms and in consideration of payments to be made by the Government under this contract, grant unto the Government a non-exclusive irrevocable, non-transferable, royalty-free license to make, have made, and use for governmental (military, naval, and national defense) purposes, and to sell in accordance with law, material embodying any and all inventions made or actually reduced to practice in carrying out the work contemplated by this contract, which are owned or controlled by the contractor, any subcontractor or by any person in privity with them or either of them, whether patented or unpatented. The contractor agrees to make to the Government, prior to final settlement under this contract, a complete disclosure of all inventions made or developed during the fulfillment of this contract and to designate in writing which of the said inventions have been or will be covered by applications for United States letters patent filed or caused to be filed by the Contractor, its representatives, subcontractors, or persons in privity with the Contractor. As to all of such inventions that are not covered or to be covered by applications for United States letters patent as aforesaid, the Contractor agrees that the Government shall have the right to file, prosecute, and act upon applications for United States letters patent thereon; that the Contractor will secure the execution of the necessary papers and do all things requisite to protect the Government's interest in prosecuting such applications to a final issue.

ART. 18. *Subcontractor.* It is understood and agreed that the supplies and materials to be furnished under this contract will be manufactured and/or supplied by the ---------- at its factory located
(Name of subcontractor)
at ---------- The performance
(City in which plant is located)
of any of the work by any other subcontractor is prohibited, except by the specific approval of the Contracting Officer in advance.

ART. 19. *Governing Laws.* This contract will be construed according to the laws of the United States of America.

ART. 20. *Definitions.* (a) The term "Secretary of War" as used herein shall include the Under Secretary of War, and the term "his duly authorized representative" shall mean any person or board authorized by the Secretary of War to act for him other than the Contracting Officer.

(b) The term "Contracting Officer" as used herein shall include his duly appointed successor or his authorized representative.

ART. 21. *Alterations.* The following changes were made in this contract before it was signed by the parties hereto:

It witness hereof, the parties hereto have executed this contract as of the day and year first above written.

THE UNITED STATES OF AMERICA
By----------

(Official Title)

Two witnesses:

Contractor

(Business Address)

PART 83—DISPOSITION OF SURPLUS AND UNSERVICEABLE PROPERTY

DECLARATION OF SERVICEABLE PROPERTY AS SURPLUS AND DISPOSITION THEREOF

In § 83.714 (8 F.R. 64) paragraph (c) is amended and paragraph (g) is added as follows:

§ 83.714 *Disposition.* * * *

(c) *Transfer upon request of Procurement Division, Treasury Department.* Upon request from the Procurement Division, Treasury Department, property so held for transfer may be transferred to another federal agency. The Procurement Division, Treasury Department, will charge the receiving agency with the transfer price of the property in conformance with established procedure governing the issuance of Vouchers for Adjustments between Appropriations and/or Funds (Form No. 1080).

* * * * *

(g) *Inapplicability of these paragraphs to acquisition of surplus property.* The foregoing paragraphs relate to the *disposition* of surplus property and not to the *acquisition* of property which is surplus to the needs of other agencies. On the latter subject see § 81.612 et seq.

(Sec. 5a National Defense Act, as amended, 41 Stat. 764, 54 Stat. 1225; 10 U.S.C. 1193–1195, and the First War Powers Act 1941, 55 Stat. 838, 50 U.S.C. Sup. 601–622)

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 43–1569; Filed, January 30, 1943; 9:59 a. m.]

Chapter IX—Transport

PART 93—TRANSPORTATION OF INDIVIDUALS

RAILROAD SLEEPING-CAR ACCOMMODATIONS

Sections 93.15 to 93.21, inclusive, are hereby rescinded and the following substituted therefor.

Sec.
93.15 When and to whom furnished; allowances.
93.16 Physically disabled persons.
93.17 Insane.
93.18 Attendants with remains.
93.19 Charter of sleeping cars or parlor cars.
93.20 Procedure; receipt for accommodations furnished.
93.21 Accommodations at variance with transportation requests.

AUTHORITY: §§ 93.15 to 93.21 issued under R.S. 161; 5 U.S.C. 22.

SOURCE: These regulations are also contained in AR 55–125, January 9, 1943, the particular paragraphs being shown at the end of sections.

§ 93.15 *When and to whom furnished; allowances*—(a) *General.* (1) When sleeping-car accommodations are authorized herein, the transportation requests will be issued for the accommodations authorized, from starting point to destination unless only coach accommodations are available at the beginning or end of the journey. See AR 55–110,[1] and AR 55–145.[2]

(2) The carrier will furnish a tourist car or other sleeping car at tourist rates for parties of 15 or more persons.

(b) *Standard accommodations.* (1) The following named persons, when traveling under orders, are entitled at public expense to a lower berth in a standard sleeping car, or a seat in a pullman or a parlor car.

(i) Officers, including officers of the Women's Army Auxiliary Corps, Army nurses, warrant officers, and civilian employees when traveling on duty with troops.

(ii) Officers, including officers of the Women's Army Auxiliary Corps, and warrant officers ordered to a hospital, post, camp, or station, or transferred from one to another, for the purpose of undergoing medical or dental treatment; also when returned therefrom to their last previous duty stations upon completion of the treatment. See 9 Comp. Gen. 505.

(iii) Cadets, United States Military Academy, aviation cadets, and noncommissioned officers of first, second, and third grades when traveling individually, or included in parties of nine persons or less (in counting the party there will be included cadets, United States Military Academy, aviation cadets, noncommissioned officers of all grades, other enlisted men, applicants for enlistment and rejected applicants for enlistment but not officers, officers of the Women's Army Auxiliary Corps, or warrant officers).

(iv) Army nurses.

(v) Members of the Reserve Officers' Training Corps while traveling, except by organizations, to and from camps of instruction, when not paid travel allowances.

(vi) Relative accompanying remains under the provisions of §§ 93.6 (a) (2) and 93.6 (b) (3) (i).

(vii) Officers, including officers of the Women's Army Auxiliary Corps, and warrant officers not in a mileage status, traveling without troops, except that they are entitled to a separate compartment for night railway travel in foreign countries. See AR 45–4870.[3]

(viii) Civilian candidates, Citizens' Military Training Camps, when transportation is furnished by the United States.

(ix) Cadets discharged from the United States Military Academy when traveling from the academy to their homes.

(2) Wives, dependent children, and dependent fathers and mothers whose transportation is authorized by § 93.1, are entitled to berths in a standard sleeping car or seats in a pullman or parlor car on the following basis, regardless of the accommodations to which the individual changing station may be entitled under these regulations:

(i) One lower berth for:

Wife alone.
Dependent father.
Dependent mother.
Child alone.
Wife and child under 6 years of age.
Wife and female child over 6 years of age.
Two children, same sex.
Two children, opposite sex, both under 6 years of age.

(ii) One section, or separate lower and upper berths for:

Wife and one child, male, over 6 years of age.
Wife and two children.
Two children, opposite sex, one or both over 6 years of age.

(iii) When the number of children exceeds two, accommodations for the additional children will be provided on the basis prescribed above for the first two children.

(iv) If a lower berth is not available, one upper berth may be furnished to each individual.

(v) The foregoing allowance is based on the dependents of the individual traveling together at the same time. If the dependents travel separately and the total allowance becomes exhausted through being furnished the accommodations and/or by claiming monetary allowance in lieu thereof (see AR 55–120[4] and § 93.1) no further accommodations may be furnished.

(vi) When the cost of the total allowance of berths for the dependents equals or exceeds the cost of a compartment, stateroom, or drawing room, the latter may be furnished in lieu of berths, if desired. In other cases a compartment, stateroom, or drawing room may be furnished upon deposit with the issuing transportation officer of the excess cost thereof.

(vii) The excess cost of a compartment, stateroom, or drawing room will be collected on the basis of the difference between the commercial rate therefor and the commercial rate for the allowance of berths, these rates being ascertained from the carrier's agents.

(viii) The amount deposited will be disposed of as prescribed in AR 55–120,[4] making reference to the serial numbers of all transportation requests involved.

(3) In certain cases, as prescribed in (c) (1) and (2) below, standard accommodations may be furnished when tourist accommodations are not available.

(c) *Tourist accommodations; when journey exceeds 12 hours and is scheduled to terminate after midnight, or when journey involves spending night on train*—(1) *Nine persons or less (see (d) below).* (i) Noncommissioned officers below the third grade (in counting the party there will be included aviation cadets, noncommissioned officers of all grades, other enlisted men, applicants for enlistment, but not officers and warrant officers) are entitled to a separate berth each in a tourist sleeping car, except as provided in (3) below, an upper, if available; otherwise a lower. See (4) below.

(ii) Enlisted men other than aviation cadets and noncommissioned officers, and/or applicants for enlistment and/or rejected applicants for enlistment (in counting the party, there will be included aviation cadets, noncommissioned officers of all grades, other enlisted men, applicants for enlistment and rejected applicants for enlistment, but not officers and warrant officers) are entitled to accommodations in a tourist sleeping car, except as provided in (3) below, on the following basis:

(*a*) One person traveling individually will be furnished an upper berth, if available; otherwise a lower. See (4) below.

(*b*) Parties of two to nine persons, both inclusive, will be furnished accommodations on the basis of two persons in a lower berth; the "odd-number" person, if any, to be furnished an upper. If an upper is not available for the "odd-number" person, he will be furnished a lower. See (4) below.

(2) *Ten persons, or more (not counting officers and warrant officers in party) (see (d) below).* Cadets, United States Military Academy, enlisted men (including aviation cadets and all noncommissioned officers) and/or applicants for enlistment, and/or rejected applicants for enlistment are entitled to accommodations in a tourist sleeping car, except as provided in (3) below, on the basis of two persons in a lower berth. The "odd-number" person, if any, is entitled to an upper berth. If there are more than a sufficient number of persons to occupy all the lower berths of an entire car on the basis of two persons in a berth, then the remaining persons will be furnished an upper berth each in the same car until its capacity is reached. Each additional car will be

[1] Administrative regulations of the War Department relative to transportation requests.

[2] Administrative regulations of the War Department relative to transportation of troops.

[3] Army Regulations of the War Department relative to deductions for land-grant travel and for transportation furnished.

[4] Administrative regulations of the War Department relative to transportation of individuals.

filled in the same manner. In special train movements one upper berth will be left unassigned for the use of the pullman conductor. See (4) below, and § 93.19. When tourist sleeping cars containing drawing rooms are furnished by the carriers, the drawing room will be used as a section; that is, one lower berth and one upper berth. For example: When a party of 49 enlisted men is traveling in tourist sleeping cars of the twelve-section, one-drawing-room type, they will be furnished a transportation request for 18 lower and 13 upper tourist berths.

First car:
13 lower berths for 26 men
13 upper berths for 13 men
Second car: 5 lower berths for 10 men
Total, 18 lower berths and 13 upper berths for 49 men.

When special tourist sleeping cars of the drawing-room type are furnished, the sofa in the drawing room of a car will be used on the basis of one upper berth if the use of the sofa will obviate the operation of an additional sleeping car.

(3) *Standard accommodations in lieu of tourist.* Whenever tourist-car berths are not available, standard-car berths will be furnished under the same conditions and on the same basis as set forth in (1) and (2) above. See also (4) below.

(4) *Alternative allowances.* The alternative allowances (upper or lower berths; tourist or standard accommodations) provided for in (1), (2), and (3) above contemplate furnishing the most economical accommodations available on the train (and connecting trains en route) and authorized. The higher cost berths and accommodations will be utilized only to the extent that those of lower cost are not available. See § 93.20.

(d) *Women's Army Auxiliary Corps enrolled personnel.* (1) The enrolled personnel of the Women's Army Auxiliary Corps shall be distributed in seven grades corresponding to the seven enlisted grades shall receive the sleeping and parlor car accommodations now provided for enlisted men, without dependents, in the corresponding enlisted grades in the Regular Army. See sec. 4, act October 26, 1942 (sec. VI, Bull. 54, W.D., 1942).

(2) In movements involving both enrolled members of the Women's Army Auxiliary Corps and enlisted men of the Army, sleeping and parlor car space will be determined and allotted on the basis of that which would be required if each group were traveling alone.

(e) *Transportation of aliens (as distinguished from alien enemies) and other persons evacuated from military areas.* The lowest class of transportation by the facility used will be furnished aliens (as distinguished from alien enemies) or other persons evacuated from military areas pursuant to the provisions of Executive Order No. 9066 (sec. II, Bull. 10, W.D., 1942), except that where transportation is by rail carriers and the journey involves spending two nights or more on the train, sleeping-car accommodations, tourists whenever available, otherwise standard, will be furnished for the entire distance from point of origin to destination only for all children under 14 years of age and females who may be included in a movement. In such cases the accommodations will be furnished on the following basis: A mother with her child or children under 14 years of age or a woman in charge of a child or children under 14 years of age, as prescribed for a wife and child or children in § 93.15 (b) (2). Other women 50 years of age and over, a separate lower berth for each. Other females 14 years of age and over, and under 50 years, two persons to a lower berth until all available lower berths in the car are used and the remainder of such females in an upper berth each in the same car until the capacity of the car is reached. Where lower berths or a sufficient number thereof are not available, one upper berth will be furnished each individual to the extent that lower berths are not available on the foregoing basis. [Par. 2]

§ 93.16 *Physically disabled persons.* (a) Except as set forth in (b) and (c) below, physically disabled persons (including prisoners of war, or alien enemies; and other évacués under Executive Order No. 9066) will be furnished one lower berth each, tourist if restricted thereto under these regulations, and if available, otherwise standard, except that where the condition of the patient warrants and daylight sleeping-car or parlor-car schedules are available and adequate, each patient will be furnished a separate seat in such sleeping car or parlor car. Attendants will be provided for such physically disabled persons whenever the responsible medical officer determines necessary. Regardless of rank, grade, or class, attendants will be furnished accommodations in the same car with physically disabled person(s), upper berth if restricted thereto, otherwise a lower or a separate seat in a sleeping car or parlor car.

(b) Whenever a physically disabled person may be expected to be noisy, ill-mannered, unpresentable, or otherwise objectionable to the public, or is in such physical condition as to require exclusive accommodations, the responsible medical officer will furnish the transportation officer issuing the transportation request a certificate, in duplicate, stating that the condition of the person requires exclusive accommodations. Attendants will be provided at all times for such physically disabled persons. Accommodations will be furnished for such physically disabled persons and their attendants in parlor cars or in compartments or drawing rooms in sleeping cars, where the total number of persons (physically disabled persons and attendants) in one movement is 49 or less. The responsible medical officer will determine in each case the number of attendants required, the class of accommodations required (that is, compartments or drawing room), and the total number of persons (physically disabled persons and attendants), not less than two, to occupy each compartment or drawing room. A statement of this determination will be included by the medical officer in the above-mentioned certificate furnished the transportation officer, who will note the transportation request number on the original thereof and forward to the disbursing officer designated to pay the carrier's bill.

(c) Where the total number of persons (physically disabled persons and attendants) in one movement is 50 or more, application will be made to the Chief of Transportation for instructions in accordance with AR 55-130.[5] The provisions of (a) and (b) above will apply, depending upon the condition of the physically disabled persons. The medical officer will give due consideration to the use of special sleeping cars if feasible and more economical. If special sleeping cars are used, one lower berth will be furnished each physically disabled person. See (a) above. Attendants in special sleeping cars will be furnished berth accommodations in the same car on the basis prescribed in these regulations. [Par 3.]

§ 93.17 *Insane.* (a) Whenever transportation is required for any person (including prisoners of war, alien enemies, and other evacués under Executive Order No. 9066) who is insane or who is undergoing observation for insanity or mental disorders, the responsible medical officer will furnish the transportation officer issuing the transportation request a certificate, in duplicate, as to the condition of the person. Attendants will be provided at all times for such mental cases. Accommodations will be furnished for such mental cases and their attendants in parlor cars or in compartments or drawing rooms in sleeping cars where the total number of persons (mental cases and attendants) in one movement is 49 or less. The medical officer will determine in each case the number of attendants required, the class of accommodations required (that is, compartments or drawing rooms), and the total number of persons (mental cases and attendants), not less than two, to occupy each compartment or drawing room. A statement of this determination will be included by the medical officer in the above-mentioned certificate furnished the transportation officer who will note the transportation request number on the original thereof and forward to the disbursing officer designated to pay the carrier's bill.

(b) *Fifty persons or more.* The analogous provisions of § 93.16 (c) will apply. [Par. 4]

§ 93.18 *Attendants with remains.* Attendants accompanying remains will be furnished the authorized accommodations to which entitled, except that transportation requests for parlor-car or sleeping-car accommodations will not be furnished for officer attendants traveling in a mileage status. [Par. 8]

§ 93.19 *Charter of sleeping cars or parlor cars.* Special sleeping cars or parlor cars will be chartered only when the expense does not exceed the cost of berths and seats authorized to be furnished. [Par. 11]

§ 93.20 *Procedure; receipts for accommodations furnished.* Travelers will be

[5] Administrative regulations of the War Department relative to transportation of troops and other groups; general.

informed of the pertinent requirements of AR 55–110. Whenever the face of the transportation request is indorsed by the transportation officer, "Tourist whenever available" (AR 55–110) the traveler will be instructed to indorse over his signature in the space provided on the back of the request a statement as to the points between which tourist accommodations are furnished. In case tourist accommodations become available en route and the transportation request cannot be indorsed on account of its having been lifted by the agent or by the first conductor (there having been a change of conductors), then the traveler will promptly forward the statement to the transportation officer issuing the request for transmittal to the disbursing officer designated to pay the carrier's bill. The statement will also cite the serial number of the transportation request. Travelers will be instructed to advise the transportation officer promptly whenever the accommodations used are less than those called for by the request. [Par. 12]

§ 93.21 *Accommodations at variance with transportation request.* Procurement from a carrier on a transportation request of excess space of a lower class than that called for by the request is prohibited, even though no additional cost to the Government is involved; for example, two lower tourist berths in lieu of a double berth in a standard sleeping car or seats in a parlor car in lieu of berths. [Par. 13]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 43–3151; Filed, February 27, 1943; 10:44 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Orders, Serial No. 2157]

PART 202—ACCOUNTS, RECORDS, AND REPORTS

FORM OF REPORT OF FINANCIAL AND OPERATING STATISTICS FOR DOMESTIC AIR CARRIERS

Adopted by the Civil Aeronautics Board at its offices in Washington, D. C. on the 18th day of February 1943.

The Board acting pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 407 (a) thereof, and finding its action necessary to carry out the provisions of said Act and to exercise its powers and perform its duties thereunder; *It is ordered*, That the form of Report of Financial and Operating Statistics for Domestic Air Carriers, C. A. B. Form 2780, as amended, be and the same is further amended as set forth in Amendment No. 2 attached hereto.[1]

By the Civil Aeronautics Board.

[SEAL] FRED A. TOOMBS,
Acting Secretary.

[F. R. Doc. 43–3236; Filed, March 1, 1943; 11:54 a. m.]

[1] Filed with the Division of the Federal Register.

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs

[T. D. 50822]

PART 8—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

VESSEL SUPPLIES

Article 464 of the Customs Regulations of 1937 amended to indicate more clearly the limitations of exemption from duty and internal-revenue tax when vessels are making a voyage in ballast (this document affects 19 CFR 8.62).

The Customs Regulations of 1937 are hereby amended as follows:

Paragraph (d) (4) of article 464 (§ 8.62 (b) (4)), as redesignated by T. D. 49658 (3 F.R. 1808), is amended to read as follows:

§ 8.62 *Exemption from customs duties and internal revenue tax.* * * *

(b) * * *

(4) Departing in ballast from the port at which the withdrawal is made for a foreign port, a port on the opposite coast of the United States, a port in one of the possessions of the United States (or if the port of withdrawal is in a possession of the United States, for a foreign port, the United States, or another possession of the United States) for the purpose of lading passengers or cargo at the port of destination for transportation in a class of trade specified in section 309 (a), Tariff Act of 1930, as amended, for which class of trade the vessel is suitable and seaworthy at the time of leaving the port of withdrawal and from which it is not diverted prior to such lading. (Sec. 5 (a), 52 Stat. 1080; 19 U.S.C. 1309 (a))

[SEAL] W. R. JOHNSON,
Commissioner of Customs.

Approved: February 26, 1943.

HERBERT E. GASTON,
Acting Secretary of the Treasury.

[F. R. Doc. 43–3189; Filed, February 27, 1943; 4:10 p. m.]

TITLE 24—HOUSING CREDIT

Chapter VII—National Housing Agency

[NHA General Order 60–6]

PART 702—PRIVATE WAR HOUSING

CONSERVATION OF MATERIAL IN PRIVATE WAR HOUSING

The Joint Declaration of Policy of the War Production Board and the National Housing Agency regarding war housing, dated December 11, 1942, provides, among other things, for the conservation of critical materials incorporated into housing projects and the withdrawal or recapture of excessive quotas. The purpose of this general order is to implement those provisions with respect to private war housing.

Sec.

AUTHORITY: §§ 702.20 to 702.23, inclusive, issued under E.O. 9070, 7 F.R. 1529.

§ 702.20 *Application for priority assistance or authority to begin construction.* (a) Applications for priority assistance or authority to begin construction shall be acted upon favorably by the Federal Housing Administration after the effective date of this general order only if the proposed construction, remodeling, or rehabilitation conforms to the applicable provisions of the War Housing Critical List approved December 12, 1942 and the War Housing Construction Standards approved January 21, 1943. Where any such application is submitted on Form PD–105 (Revised 2–10–43), such application shall not be acted upon favorably by the Federal Housing Administration after the effective date of this general order unless the applicant agrees that there shall not be installed in the project covered by such application any materials of metal and any critical materials other than those materials listed in such application and approved by the War Production Board for use in the project, whether such materials are taken from stock, secured with or without priority assistance, or obtained by gift, loan, or otherwise.

§ 702.21 *Application for amendment of preference rating order or request for authentication of purchase orders.* (a) Requests for extension of the term of a preference rating order, requests for the issuance of an allotment under the Controlled Materials Plan, requests for the authentication of an order for the purchase of materials included in a preference rating order, or any other request for amendment of a preference rating order, shall be acted upon favorably by the Federal Housing Administration after the effective date of this general order only if the proposed construction, remodeling, or rehabilitation conforms to the applicable provisions of the War Housing Critical List approved December 12, 1942 and the War Housing Construction Standards approved January 21, 1943; except that any such request may be acted upon favorably by the Federal Housing Administration after the effective date of this general order without conforming the proposed construction, remodeling, or rehabilitation to the applicable provisions of such War Housing Critical List and such War Housing Construction Standards if:

(1) The person making the request proves to the satisfaction of the Federal Housing Administration that it is not practicable to conform part or all of the project to the applicable provisions of such War Housing Critical List and such War Housing Construction Standards; and

(2) The Federal Housing Administration requires the conformance of as much of the project as is practicable, in the opinion of the Federal Housing Administration, to the applicable provisions of such War Housing Critical List and such War Housing Construction Standards; and

(3) Either (i) the person making any such request has performed work in connection with the project, prior to the effective date of this general order, other than such pre-construction activities as completing arrangements for or securing architectural services, surveys, options to purchase real or personal property, or permanent or construction financing, or (ii) the person making any such request has performed work in connection with the project, after the effective date of this general order but prior to the date of making such request, other than such pre-construction activities as completing arrangements for or securing architectural services, surveys, options to purchase real or personal property, or permanent or construction financing, and the Federal Housing Administration determines that it would result in an undue hardship to conform such project to the applicable provisions of such War Housing Critical List and War Housing Construction Standards because of special circumstances involved in the particular case.

In determining the extent to which it is practicable to conform any project as provided herein, the Federal Housing Administration shall be guided by the principle that, for the duration of the war, it is absolutely essential to conserve critical materials to the utmost in order to spread the supply of such materials over the largest possible number of housing units.

§ 702.22 *Amendments to War Housing Critical List and War Housing Construction Standards.* (a) Any amendment to the War Housing Critical List approved December 12, 1942, and the War Housing Construction Standards approved January 21, 1943, adopted after the effective date of this general order shall be made applicable to each war housing project construction of which is begun after the effective date of such amendment; and, with respect to any war housing project construction of which has begun prior to the effective date of such amendment, such project shall be conformed to such amended War Housing Critical List and War Housing Construction Standards only in accordance with the principles and policies contained in this general order.

§ 702.23 *Cessation of issuance, revision, and recapture of preference rating orders and authorities to begin construction.* (a) Where the Office of the Administrator of the National Housing Agency determines that the established quota for any Housing Critical Area is excessive, the Office of the Administrator will revise or withdraw the excessive portion of the unissued quota of such Housing Critical Area and, if the excessive quota is only related to a portion of the Housing Critical Area, the Office of the Administrator will revise or withdraw only unissued quota which was intended for use in such portion of such Housing Critical Area.

(b) If the established quota for any Housing Critical Area remains excessive after action has been taken as provided in § 702.23 (a) hereof, the Federal Housing Administration shall:

(1) Inform the owners of affected projects of the circumstances which require curtailment in the construction of private war housing and request that such owners immediately offer for recapture such portion of their preference rating orders or authorities to begin construction as they will not use in view of the changed conditions. Upon receipt of this information, the Federal Housing Administration shall proceed to recapture such units in accordance with prescribed procedures.

(2) If the established quota for any Housing Critical Area remains excessive after taking the action provided in §§ 702.23 (a) and 702.23 (b) (1) hereof, the Federal Housing Administration will recommend to the War Production Board the revision or recapture of as many and as large a part of each of the issued preference rating orders and authorities to begin construction as is practicable in order to conform the housing program as nearly as possible to the revised requirements. In determining the practicability of recommending the revision or recapture of issued preference rating orders and authorities to begin construction the Federal Housing Administration shall be guided by the following considerations:

(i) It is absolutely essential to conserve critical materials to the utmost in order to spread the supply of such materials over the largest possible number of housing units for the duration of the war;

(ii) It shall be considered practicable to revise or recapture any preference rating order or authority to begin construction where the person holding such order or authority has performed no work in connection with the project, at the time the Federal Housing Administration pursuant to determination of an excessive quota in the area recommends in accordance with § 702.23 (b) (2) hereof the revision or recapture of any such order or authority in question, other than such pre-construction activities as completing arrangements for or securing architectural services, surveys, options to purchase real or personal property, or permanent or construction financing: *Provided, however,* That upon the concurrence of the Regional Representative of the Office of the Administrator, the Federal Housing Administration may refrain from recommending such revision or recapture if it is determined that such action would result in an undue hardship.

(c) All revisions or recaptures as provided for in § 702.23 (b) (2) shall generally be considered in reverse order (except to the extent that some other order is necessary) of the chronological dates upon which the preference rating orders and authorities to begin construction were issued in the Housing Critical Area, or if the excess quota is related to only a portion of such Housing Critical Area, then such revisions or recaptures shall generally be considered in reverse order (except to the extent that some other order is necessary) of the chronological dates upon which the preference rating orders and authorities to begin construction were issued embracing projects in such portion of the Housing Critical Area.

(d) For the purpose of this § 702.23, applications in process with the Federal Housing Administration which have not been certified as eligible will be handled in the manner prescribed for the revision or withdrawal of unissued quota, and applications which have been certified as eligible but upon which the Federal Housing Administration has received no advice of issuance of the preference rating orders or authorities to begin construction, the Federal Housing Administration will handle in the same manner as issued preference rating orders or authorties to begin construction.

The effective date of this general order shall be February 27, 1943.

JOHN B. BLANDFORD, Jr.,
Administrator.

[F. R. Doc. 43-3127; Filed, February 26, 1943; 12:14 p. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue

Subchapter A—Income and Excess Profits Taxes

[T. D. 5233]

PART 3—INCOME TAX UNDER THE REVENUE ACT OF 1936

PART 9—INCOME TAX UNDER THE REVENUE ACT OF 1938

PART 19—INCOME TAX UNDER THE INTERNAL REVENUE CODE

INCOME IN RESPECT OF DECEDENTS

Amending Regulations 103 by changing §§ 19.42–1 and 19.43–1 thereof and by inserting therein §§ 19.126–1, 19.126–2, 19.126–3, and 19.126–4, and making such amendments apply to Regulations 101, 94, and 86, in order to make such Regulations 103, 101, 94, and 86 conform to section 134 of the Revenue Act of 1942, relating to income in respect of decedents.

In order to conform Regulations 103 [Part 19, Title 26, Code of Federal Regulations, 1940 Sup.], 101 [Part 9, Title 26, Code of Federal Regulations, 1939 Sup.], 94 [Part 3, Title 26, Code of Federal Regulations], and 86 to section 134 of the Revenue Act of 1942 (Public Law 753, Seventy-seventh Congress), approved October 21, 1942, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 19.42–1 of such Regulations 103 the following:

SEC. 134. INCOME IN RESPECT OF DECEDENTS. (Revenue Act of 1942, Title I.)

(a) *General rule.* The last sentence of section 42 (a) (relating to inclusion in gross income of amounts accrued up to death of taxpayer) is amended to read as follows: "In the case of the death of a taxpayer whose net income is computed upon the basis of the accrual method of accounting, amounts (except amounts includible in computing a partner's net income under section 182) accrued only by reason of the death of the taxpayer shall not be included in computing net income for the period in which falls the date of the taxpayer's death."

* * * * *

(f) *Effective date of amendments.* The amendments made by subsections (a) and (b) of this section shall be applicable with respect to taxable years beginning after December 31, 1942, and the amendments made by subsections (c), (d), and (e) of this section shall be applicable with respect to taxable years ending after December 31, 1942.

(g) *Taxable years before 1943.* In case the taxable period in which falls the date of the death of the decedent began after December 31, 1933, and before January 1, 1943, the tax for such taxable period shall be computed as if provisions corresponding to the provisions of sections 42 (a) and 43 of the Internal Revenue Code, as amended by subsections (a) and (b) of this section, were a part of the Revenue Act of 1934, the Revenue Act of 1936, the Revenue Act of 1938, or the Internal Revenue Code, whichever is applicable to such taxable period. * * * The provisions of this paragraph shall not be applicable unless there are filed with the Commissioner (in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, and at the time prescribed by such regulations) signed consents made under oath by the fiduciary representing the estate and by each such person (or if any such person is no longer in existence or is under disability, by his legal representative) that with respect to such amounts the tax of the estate, or the tax of such person, as the case may be, shall be computed under the provisions of this paragraph for each taxable period ending on or after the date of the death of the decedent and the tax of the decedent shall be computed under such provisions for the taxable period of the decedent in which falls the date of his death. * * * [For retroactive effect of amendment made by this subsection, see § 19.126–4.]

PAR. 2. Section 19.42–1 of Regulations 103, as amended by Treasury Decision 5086, approved October 10, 1941, is further amended as follows:

A. By inserting immediately after the heading the following: "(a) *In general.*"

B. By striking out the third sentence.

C. By inserting at the end thereof the following new paragraph:

(b) *Last taxable year of decedent.* If the taxable year in which falls the date of the death of a taxpayer began on or after January 1, 1943, then there shall be included in computing net income for such year only amounts properly includible under the approved method of accounting followed by the taxpayer, or, if the taxpayer followed no such method, only amounts received during such year. However, if the taxpayer followed the accrual method of accounting, amounts accrued only by reason of his death shall not be included in computing net income for such year, except that, if the taxpayer was a member of a partnership, his share of the partnership income for the partnership year ending with its dissolution on account of his death shall be included in computing his net income. The approved accounting practice of the partnership in computing its income shall not be changed by reason of the taxpayer's death. Thus, if the partnership computed its income on the basis of cash receipts and disbursements, the partnership income for the year ending with the dissolution, a distributive share of which is included in the taxpayer's income, shall be so computed. If the partnership used the accrual of accounting, its income shall be computed according to such practice. For example, if a law partnership keeping its books on the accrual method of accounting is entitled to certain contingent fees which are accrued only upon the completion of the cases involved, such partnership will compute its income for the year ending with its dissolution on account of the death of the taxpayer without accruing, on account of the death of the partner at such time, any such contingent fees in uncompleted cases. Under section 126, any distribution by the partnership to the estate or or a beneficiary of the deceased partner out of such fees will be income to such estate or person.

There must also be included in computing net income for the taxable year in which falls the date of death of a taxpayer the gain described in section 44 (d), relating to gain upon the disposition of installment obligations, except as otherwise provided in that section. (See § 19.44–5.) This amount must be included in computing net income regardless of the method of accounting followed by the taxpayer.

If the taxable year in which falls the date of the death of a taxpayer began before January 1, 1943, the above provisions are applicable if the executor, administrator, or other personal representative of the taxpayer and the persons who acquire as beneficiaries of his estate or by reason of his death his right to receive any 'ncome make the election provided in section 134 (g) of the Revenue Act of 1942 and § 19.126–4 of these regulations to have the amendments made by section 134 of the Revenue Act of 1942 apply to the law in effect for such taxable year. For method of computing, and limitations with respect to, credit or refund of any overpayment which is a result of such election, see § 19.126–4 (c). If the executor, administrator, or other personal representative and such persons do not make such election, then there shall be included in computing net income for such taxable year, in addition to the amounts described above, all amounts accrued up to the date of the taxpayer's death which are not otherwise properly includible in respect of such taxable year or a prior taxable year, regardless of the fact that the decedent may have kept his books and made his return on the basis of cash receipts and disbursements.

PAR. 3. There is inserted immediately preceding § 19.43–1 of Regulations 103 the following:

SEC. 134. INCOME IN RESPECT OF DECEDENTS. (Revenue Act of 1942, Title 1.)

* * * * *

(b) *Deductions and credits.* The last sentence of section 43 (relating to deductions and credits accrued up to death of taxpayer) is amended to read as follows: "In the case of the death of a taxpayer whose net income is computed upon the basis of the accrual method of accounting, amounts (except amounts includible in computing a partner's net income under section 182) accrued as deductions and credits only by reason of the death of the taxpayer shall not be allowed in computing net income for the period in which falls the date of the taxpayer's death."

* * * * *

(f) *Effective date of amendments.* The amendments made by subsections (a) and (b) of this section shall be applicable with respect to taxable years beginning after December 31, 1942, and the amendments made by subsections (c), (d), and (e) of this section shall be applicable with respect to taxable years ending after December 31, 1942.

(g) *Taxable years before 1943.* In case the taxable period in which falls the date of the death of the decedent began after December 31, 1933, and before January 1, 1943, the tax for such taxable period shall be computed as if provisions corresponding to the provisions of sections 42 (a) and 43 of the Internal Revenue Code, as amended by subsections (a) and (b) of this section, were a part of the Revenue Act of 1934, the Revenue Act of 1936, the Revenue Act of 1938, or the Internal Revenue Code, whichever is applicable to such taxable period. * * * The provisions of this subsection shall not be applicable unless there are filed with the Commissioner (in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, and at the time prescribed by such regulations) signed consents made under oath by the fiduciary representing the estate and by each such person (or if any such person is no longer in existence or is under disability, by his legal representative) that with respect to such amounts the tax of the estate, or the tax of such person, as the case may be, shall be computed under the provisions of this subsection for each taxable period ending on or after the date of the death of the decedent and the tax of the decedent shall be computed under such provisions for the taxable period of the decedent in which falls the date of his death. * * * [For retroactive effect of amendment made by this subsection, see section 19.126–4.]

Par. 4. Section 19.43–1 of Regulations 103 is amended by striking out paragraph (b) and by inserting in lieu thereof the following paragraph:

(b) The provisions of paragraph (a) are in general applicable with respect to the taxable year during which the taxpayer dies if such taxable year begins on or after January 1, 1943. However, if the taxpayer followed the accrual method of accounting, there shall be included in computing net income for such year no amount accrued solely by reason of his death other than his distributive share of the losses of a partnership for the year ending with the dissolution of the partnership on account of his death. No change in the accounting practice of the partnership shall be made because of the taxpayer's death when the income and losses of the partnership are computed for the year ending with the dissolution of the partnership on account of the partner's death. If the taxpayer dies during a taxable year beginning before January 1, 1943, these same provisions are applicable only if the executor, administrator, or other personal representative of the taxpayer and the persons who acquire as beneficiaries of his estate or by reason of his death his right to receive any income elect as provided in

section 134 (g) of the Revenue Act of 1942 and § 19.126–4 of these regulations to have the amendments made by section 134 of the Revenue Act of 1942 apply to the law in effect for such taxable year. For method of computing, and limitations with respect to, assessment and collection of any deficiency which is a result of such election, see § 19.126–4 (c). If the executor, administrator, or other personal representative and such persons do not so elect, then there shall also be allowed as deductions and credits for such taxable year all amounts (except deductions under section 23 (o) accrued up to the date of the death of the taxpayer which are not otherwise allowable with respect to such taxable year or a prior taxable year, regardless of the fact that the decedent may have been required to keep his books and make his return on the basis of cash receipts and disbursements.

PAR. 5. There is inserted immediately after § 19.125–9 of Regulations 103 the following:

SEC. 134. INCOME IN RESPECT OF DECEDENTS. (Revenue Act of 1942, Title I.)

* * * * *

(e) The Internal Revenue Code is amended by inserting after section 125 the following new section:

SEC. 126. INCOME IN RESPECT OF DECEDENTS. (a) *Inclusion in gross income.*—(1) *General rule.* The amount of all items of gross income in respect of a decedent which are not properly includible in respect of the taxable period in which falls the date of his death or a prior period shall be included in the gross income, for the taxable year when received, of:

(A) the estate of the decedent, if the right to receive the amount is acquired by the decedent's estate from the decedent;

(B) the person who, by reason of the death of the decedent, acquires the right to receive the amount, if the right to receive the amount is not acquired by the decedent's estate from the decedent; or

(C) the person who acquires from the decedent the right to receive the amount by bequest, devise, or inheritance, if the amount is received after a distribution by the decedent's estate of such right.

(2) *Income in case of sale, etc.* If a right, described in paragraph (1), to receive an amount is transferred by the estate of the decedent or a person who receives such right by reason of the death of the decedent or by bequest, devise, or inheritance from the decedent, there shall be included in the gross income of the estate or such person, as the case may be, for the taxable period in which the transfer occurs, the fair market value of such right at the time of such transfer plus the amount by which any consideration for the transfer exceeds such fair market value. For the purposes of this paragraph, the term "transfer" includes sale, exchange, or other disposition, but does not include a transfer to a person pursuant to the right of such person to receive such amount by reason of the death of the decedent or by bequest, devise, or inheritance from the decedent.

(3) *Character of income determined by reference to decedent.* The right, described in paragraph (1), to receive an amount shall be treated, in the hands of the estate of the decedent or any person who acquired such right by reason of the death of the decedent, or by bequest, devise, or inheritance from the decedent, as if it had been acquired by the estate or such person in the transaction by which the decedent acquired such right; and the amount includible in gross income under paragraph (1) or (2) shall be considered in the hands of the estate or such person to have the character which it would have had in the hands of the decedent if the decedent had lived and received such amount.

(b) *Allowance of deductions and credit.* The amount of any deduction specified in section 23 (a), (b), (c), or (m) (relating to deductions for expenses, interest, taxes, and depletion) or credit specified in section 31 (foreign tax credit), in respect of a decedent which is not properly allowable to the decedent in respect of the taxable period in which falls the date of his death, or a prior period, shall be allowed:

(1) *Expenses, interest, and taxes.*—In the case of a deduction specified in section 23 (a), (b), or (c) and a credit specified in section 31, in the taxable year when paid,—

(A) to the estate of the decedent; except that

(B) if the estate of the decedent is not liable to discharge the obligation to which the deduction or credit relates, to the person who, by reason of the death of the decedent or by bequest, devise, or inheritance acquires, subject to such obligation, from the decedent an interest in property of the decedent.

(2) *Depletion.* In the case of the deduction specified in section 23 (m), to the person described in subsection (a) (1) (A), (B), or (C) who, in the manner described therein, receives the income to which the deduction relates, in the taxable year when such income is received.

(c) *Deduction for estate tax.*

(1) *Allowance of deduction.* A person who includes an amount in gross income under subsection (a) shall be allowed, for the same taxable year, as a deduction an amount which bears the same ratio to the estate tax attributable to the net value for estate tax purposes of all the items described in subsection (a) (1) as the value for estate tax purposes of the items of gross income or portions thereof in respect of which such person included the amount in gross income (or the amount included in gross income, whichever is lower) bears to the value for estate tax purposes of all the items described in subsection (a) (1).

(2) *Method of computing deduction.* For the purposes of paragraph (1):

(A) The term "estate tax" means the tax imposed upon the estate of the decedent under section 810 or 860, reduced by the credits against such tax, plus the tax imposed upon the estate of the decedent under section 935, reduced by the credits against such tax.

(B) The net value for estate tax purposes of all the items described in subsection (a) (1) shall be the excess of the value for estate tax purposes of all the items described in subsection (a) (1) over the deductions from the gross estate in respect of claims which represent the deductions and credit described in subsection (b).

(C) The estate tax attritbutable to such net value shall be an amount equal to the excess of the estate tax over the estate tax computed without including in the gross estate such net value.

(f) *Effective date of amendments.* The amendments made by subsections (a) and (b) of this section shall be applicable with respect to taxable years beginning after December 31, 1942, and the amendments made by subsections (c), (d), and (e) of this section shall be applicable with respect to taxable years ending after December 31, 1942.

(g) *Taxable years before 1943.* In case the taxable period in which falls the date of the death of the decedent began after December 31, 1933, and before January 1, 1943, the tax for such taxable period shall be computed as if provisions corresponding to the provisions of section 42 (a) and 43 of the Internal Revenue Code, as amended by subsections (a) and (b) of this section, were a part of the Revenue Act of 1934, the Revenue Act of 1936, the Revenue Act of 1938, or the Internal Revenue Code, whichever is applicable to such taxable period. In the case of the estate of such a decedent and of each person who acquires by reason of the death of such decedent or by bequest, devise, or inheritance from such decedent the right to receive the amount of items of gross income of the decedent which upon the application of the preceding sentence are not properly includible in respect of the taxable period in which falls the date of the decedent's death or a prior period, the tax for each taxable period ending on or after the date on which the decedent died shall be computed by including in gross income the amounts with respect to such decedent which would be includible, and by allowing as deductions and credits the amounts with respect to such decedent which would be allowable, if provisions corresponding to the provisions of the section inserted in the Internal Revenue Code by subsection (e) of this section were a part of the law applicable to such taxable period. The provisions of this subsection shall not be applicable unless there are filed with the Commissioner (in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, and at the time prescribed by such regulations) signed consents made under oath by the fiduciary representing the estate and by each such person (or if any such person is no longer in existence or is under disability, by his legal representative) that with respect to such amounts the tax of the estate, or the tax of such person, as the case may be, shall be computed under the provisions of this subsection for each taxable period ending on or after the date of the death of the decedent and the tax of the decedent shall be computed under such provisions for the taxable period of the decedent in which falls the date of his death. If such consent is filed after the time for the filing of the return with respect to any such taxable period, the deficiency resulting from the failure to compute the tax for such taxable period in accordance with such consent shall be paid on the date of the filing of the consent with the Commissioner, or on the date prescribed for the payment of the tax for the taxable period, whichever is later, and the period of limitations provided in sections 275 and 276 of the Internal Revenue Code or a corresponding provision of a prior revenue law on the making of assessments and the beginning of distraint or a proceeding in court for collection shall with respect to such deficiency include one year immediately after the date the consent was filed, and such assessment and collection may be made notwithstanding any provision of the internal revenue laws or any rule of law which would otherwise prevent such assessment and collection. The period within which claim for credit or refund may be filed, or credit or refund allowed or made if no claim is filed, with respect to any overpayment resulting from the failure to compute the tax for any such taxable period (except the taxable period of the decedent in which falls the date of his death) in accordance with such consent shall include one year immediately after the date of the filing of the consent, and credit or refund may be allowed or made notwithstanding any provision of the internal revenue laws or any rule of law which would otherwise prevent such credit or refund, but no interest shall be allowed or paid with respect to any such overpayment. The provisions of section 322 (b) (2) and (3) of the Internal Revenue Code or a corresponding provision of a prior revenue law shall not apply to the refund of any such overpayment. If the application of this subsection to the taxable period of the decedent in which falls the date of his death results in a deficiency for such taxable period, and if

the income tax of the decedent for such period was deducted in computing the net estate of the decedent under Chapter 3 of the Internal Revenue Code or under a corresponding title of a prior revenue law, and if at the time such deficiency is assessed credit or refund of any resulting overpayment in respect of the taxes imposed by such Chapter 3 or corresponding title upon such net estate is prevented by any provision of the internal revenue laws or by any rule of law, then the amount of such deficiency which is assessed and collected shall be reduced by the amount of such resulting overpayment under such Chapter 3 or corresponding title which would be credited or refunded if credit or refund thereof were not so prevented. This subsection shall not be deemed to change any provision of law limiting the allowance of refund or credit with respect to overpayments for the taxable period of the decedent in which falls the date of his death, and no interest shall be allowed or paid with respect to any overpayment resulting from the application of this subsection to such taxable period. If the application of this subsection to the taxable period of the decedent in which falls the date of his death results in an overpayment for such taxable period, and if such overpayment was included as part of the income tax of the decedent which was deducted in computing the net estate of the decedent under Chapter 3 of the Internal Revenue Code or under a corresponding title of a prior revenue law, and if, at the time such overpayment is credited or refunded the assessment and collection of deficiencies in respect of the taxes imposed by such Chapter 3 or corresponding title upon such net estate is prevented by any provision of the internal revenue laws or by any rule of law, then the amount of such overpayment which is credited or refunded shall be reduced by the amount of the resulting deficiencies under such Chapter 3 or corresponding title which would be assessable if the assessment and collection thereof were not so prevented.

§ 19.126–1 *Inclusion in gross income of income in respect of a decedent.* The gross income for the taxable year of a decedent beginning on or after January 1, 1943, in which falls the date of his death, is computed upon the basis of the method of accounting followed by such decedent, even though amounts to which he is entitled as gross income are not includible under such method in computing net income for such taxable year or any prior taxable year. (See § 19.42–1) Such amounts include all the accrued income of a decedent who reported his income on the basis of cash receipts and disbursements, and, in the case of a decedent who reported his income under the accrual method of accounting, such amounts include contingent items which were not accrued by the decedent and, under § 19.42–1, all items (except the amount of partnership income includible under section 182) which were accrued in the last taxable year of the decedent solely by reason of his death. For example, if the decedent who reported income on the basis of the accrual method of accounting was a member of a partnership which kept its books on the basis of cash receipts and disbursements, the decedent would be entitled at the date of his death to his distributive share of the accrued income of the partnership, although there would be included in his gross income only his distributive share of the partnership income computed on the basis of cash receipts and disbursements. Furthermore, if his partnership agreement had provided for the sale to the other partners upon his death of his right to the partnership assets in return for a payment of a certain sum by the surviving partners to his estate, the gain on such sale, accrued solely by reason of his death, would not be included in computing his net income.

Under section 126 (a) (1), all such amounts to which a decedent is entitled as gross income and which are not includible in computing his net income for his last taxable year or any prior taxable year shall be included, when received, in the gross income of the estate of the decedent or of the person receiving such amounts if such amounts are received in a taxable year ending after December 31, 1942 by the estate of the decedent or by a person entitled to such amounts by bequest, devise, or inheritance from the decedent or by reason of the death of the decedent. These amounts are included in the income of the estate and such persons when received by them, regardless of whether or not they report income on the basis of cash receipts and disbursements.

The persons who are placed with respect to such amounts in the same position as the decedent are the decedent's estate (which in the great majority of cases will be the one who receives such amounts) and, if the estate does not collect such amounts but distributes the right to receive such amounts to the heir, next of kin, legatee, or devisee who inherited or was bequeathed or devised such right, such heir, next of kin, legatee, or devisee. Thus, if the decedent who kept his books on the basis of cash receipts and disbursements was entitled at the date of his death to a large salary payment to be made in equal annual installments over five years, and his estate after collecting two installments distributed the right to the remaining installment payments to the residuary legatee of the estate, the estate must include in its gross income the two installments received by it, and the legatee must include in his gross income each of the three installments received by him.

Also placed in the same position as the decedent with respect to such amounts are those who acquire the right to such amounts by reason of the death of the decedent. An example of the application of this provision is the case of a decedent who owned a defense bond, with his wife as coowner or beneficiary, and who died before the payment of such bond. The entire amount accruing on the bond and not includible in income by the decedent, not just the amount accruing after the death of the decedent, would be treated as income to his wife when the bond is paid. Another example is the case of a partner whose partnership agreement provided that upon his death his interest in certain partnership assets would pass to the surviving partners in exchange for payments to be made by them to his widow. Upon his death, the payments by the surviving partners must be included in the widow's income to the extent they exceed the adjusted basis of such assets in the hands of the decedent immediately prior to his death. This gain was not includible in the partner's income since it was not received by the partner (for the purposes of the cash receipts and disbursements method of accounting) and was accrued only by reason of his death (for the purposes of the accrual method of accounting). If the payments are to be made to the widow as trustee for minor children, and if the right to receive such payments is transferred to the children upon their majority, the children are within the provisions of section 126 (a) (1) as receiving the right to such payments by reason of the death of the decedent, and must include such payments when received in their income to the extent the payments represent the gain on the sale.

Since section 126 provides for the treatment of such amounts as income to the estate and other persons placed in the same position as the decedent with respect to such amounts, the provisions of section 113 (a) (5) with respect to the basis of property acquired by bequest, devise, or inheritance do not apply to these amounts in the hands of the estate and such persons. Furthermore, section 126 only applies to the amount of items of gross income in respect of a decedent, and items which are excluded from his gross income under section 22 (b) or section 116 are not within the provisions of section 126.

If the right to receive an amount of income in respect of a decedent is transferred by the estate or the person entitled to such amount by bequest, devise, or inheritance, or by reason of the death of the decedent, the fair market value of such right at the date of the transfer shall be included in the income of the estate or of such person, plus the amount by which any consideration received on such transfer exceeds the fair market value of such right. Thus, upon a sale of such right, the fair market value of the right or the amount received upon the sale, whichever is greater, is included in income. Similarly, if the right to receive the income is disposed of, as by gift or bequest, the fair market value of such right at the time of such disposition must be included in the gross income of the donor, testator, or other transferor. However, if the person to whom such right is transferred is a person described in section 126 (a) (1) as being entitled to such right by bequest, devise, or inheritance from the decedent or by reason of the death of the decedent, such fair market value of the right is not included in the income of the transferor. Examples of such transfers are those by the estate to a specific legatee of such right or to the residuary legatee. Another example is the case of a trust to which is bequeathed the right of the decedent to certain payments of income. If the trust terminates and the right to such payments is transferred to the beneficiary, the trust does not include the fair market value of the right to receive such payments in its income, but such payments are included in the income of the beneficiary under the provisions of section 126 (a) (1). Under section 126 (a) (1), the transferee in each of the above examples must include the

amount, when received, in his income, and if he transfers the right to receive such amount to a person not entitled to such right by bequest, devise, or inheritance from the decedent or by reason of his death, then he must include in his income the fair market value of the right at the time of such transfer.

The right to receive an amount of income in respect of a decedent shall be treated in the hands of the estate or the person entitled to receive such amount by bequest, devise, or inheritance from the decedent or by reason of his death as if it had been acquired in the transaction by which the decedent acquired such right, and shall be considered as having the same character it would have had if the decedent had lived and received such amount. The estate or such person is placed in the same position with respect to the nature of this income as the position the decedent enjoyed. Thus, if the income would have been capital gain to the decedent, if he had lived and had received it, from the sale of property held for more than six months, the income when received, or its fair market value if transferred, shall be treated in the hands of the estate or of such person as gain from the sale of the property, held for more than six months, in the same manner as if such person had held the property for the period the decedent held it, and had made the sale. Similarly, if the income is interest on United States obligations owned by the decedent, such income shall be treated as interest on United States obligations in the hands of the person receiving it, for the purpose of determining the credit provided by section 25 (a) (1) and (2), as if such person owned the obligations with respect to which such interest is paid. If the amount would have constituted earned income to the decedent, as in the case of the accrued wages of a decedent who reported income on the basis of cash receipts and disbursements, such amount shall constitute earned income to the person including such amount in his gross income to the same extent as if he had engaged in place of the decedent in the transaction in which the amount was earned. Such earned income would be included with the other earned income of such person, in determining his earned income credit, and such aggregate would of course be subject to the limitations on such credit. The estate is not allowed any credit for such income which is treated as earned income in its hands, since there is no provision in Supplement E of chapter 1 of the Internal Revenue Code allowing such a credit in the case of an estate. If the amounts are compensation for personal services rendered over a period of 36 months or more, and would be within the provisions of section 107 if the decedent had lived and included such amounts in his gross income, section 107 applies. That is, the tax attributable to the inclusion of this amount in the gross income of the person receiving it shall not exceed the aggregate of the taxes of the decedent which would be attributable to such amount if it had been received by the decedent in equal portions in each of the months included in the period in which the personal services were rendered. Similarly, the provisions of sections 105 and 106, relating to the tax attributable to the sale of certain oil or gas property and to certain claims against the United States, apply to any amount included in gross income, the right to which was obtained by the decedent by a sale or claim within the provisions of those sections. The tax attributable to the inclusion of this amount in the gross income of the person receiving it shall not exceed 30 percent of such amount.

§ 19.126–2 *Allowance of deductions and credit in respect of decedent.* Under section 126 (b), the expenses, interest, and taxes described in section 23 (a), (b), and (c) for which the decedent, dying in a taxable year beginning after December 31, 1942, was liable, which were not properly allowable as a deduction in his last taxable year or any prior taxable year, are allowed when paid (a) as a deduction by the estate, or (b) if the estate was not liable to pay such obligation, as a deduction by the person who by bequest, devise, or inheritance from the decedent or by reason of the death of the decedent acquires subject to such obligation an interest in property of the decedent. Similar treatment is given to the foreign tax credit provided by section 31. For the purposes of (b) above, the right to receive an amount of gross income in respect of a decedent is considered property of the decedent; on the other hand, it is not necessary for a person, otherwise within the provisions of (b), to receive the right to any income in respect of the decedent. Thus, if the right to income in respect of a decedent, receivable by reason of the death of the decedent by a person other than the estate, is subject to an income tax imposed during the life of the decedent by a foreign country, which tax must be satisfied out of such income, such person is entitled to the credit provided in section 31 when he pays this obligation. If the decedent, who reported income on the basis of cash receipts and disbursements, owned real property on which no income had accrued, but on which accrued taxes had become a lien, and if such property passed directly to the heir of the decedent in a jurisdiction in which real property does not become a part of a decedent's estate, the heir, upon paying such taxes, may take the same deduction under section 23 (c) that would be allowed to the decedent if, while alive, he had made such payment.

However, the deduction for percentage depletion is allowable only to the person who receives the income in respect of the decedent to which the deduction relates, whether or not such person receives the property from which such income is derived. Thus, if the income results from payments on units of mineral sold by the decedent, who reported income on the basis of cash receipts and disbursements, the deduction for depletion, computed on such number of units as if the person receiving such income had the same economic interest as the decedent, shall be allowed to such person regardless of whether or not he receives any interest in the mineral property other than such income. If the decedent did not compute his deduction for depletion on the basis of percentage depletion, any deduction for depletion to which the decedent was entitled at the date of his death would be allowable in computing his net income for his last taxable year, and there can be no deduction in respect of the decedent by any other person for such depletion.

§ 19.126–3 *Deduction for estate tax attributable to income in respect of decedent.* Section 126 (c) provides that the estate or person required to include in gross income any amount in respect of a decedent may deduct that portion of the estate tax on the decedent's estate which is attributable to the inclusion in the decedent's estate of the right to receive such amount. This deduction is determined by first ascertaining the net value in the decedent's estate of the items which are included under section 126 in computing the income of the persons described in that section, that is, the excess of the value included in the gross estate of the items of gross income in respect of the decedent over the deductions from the gross estate for claims which represent the deductions and credit in respect of the decedent described in section 126 (b). The portion of the estate tax (the sum of the basic estate tax and the additional estate tax, reduced by the credits against such taxes) attributable to the inclusion in the gross estate of such net value is the excess of the estate tax over the estate tax computed without including such net value in the gross estate. The estate and each person receiving income in respect of the decedent may deduct as his share of such portion of the estate tax an amount which bears the same ratio to such portion as the value in the gross estate of the right to the income included by the estate or such person in gross income bears to the value in the gross estate of all the items of gross income in respect of the decedent. Section 126 (c) is illustrated by the following example:

Example. X, an attorney who kept his books on the basis of the cash receipts and disbursements method of accounting, was entitled at the date of his death to a fee for services rendered in a case not completed at the time of his death, which fee was valued in his estate at $1,000, and to accrued interest on bonds which was valued at $500. In all, $1,500 was included in his gross estate in respect of income described in section 126 (a) (1). There were deducted as claims against his estate $150 for business expenses for which his estate was liable, and $50 for taxes accrued on certain property he owned, in all, $200, for claims which represent the deductions described in section 126 (b) which are allowable as deductions to his estate or to the beneficiaries of his estate. His gross estate is $185,000, and his net estate, computed without deducting any specific ex-

emption, is $170,000, on which the total basic and additional estate tax (reduced by credits against such tax) is $23,625. In the year following the death of X, his estate collected the fee in the amount of $1,200, which amount is included in the income of the estate. The estate may deduct, in computing its net income for such year, $260 on account of the estate tax attributable to such income, computed as follows:

(a) (1) Value of income described in section 126 (a) (1) included in computing gross estate	$1,500
(2) Deductions in computing gross estate for claims representing deductions described in section 126 (b)	200
(3) Net value of items described in section 126 (a) (1)	1,300
(b) (1) Estate tax (basic and additional estate taxes, less credits against such taxes)	23,625
(2) Less: Estate tax computed without including $1,300 (item (a) (3)) in gross estate	23,235
(3) Portion of estate tax attributable to net value of income items	390
(c) (1) Value in gross estate of income received by estate in taxable year	1,000
(2) Value in gross estate of all income items described in section 126 (a) (1) (item (a) (1) above)	1,500
(3) Part of estate tax deductible upon receiving the $1,200 fee $\frac{\$1,000}{\$1,500}$ of $390	260

Although $1,200 was later collected as the fee, only the $1,000 actually included in the gross estate is used in the above computations. However, to avoid distortion, section 126 (c) provides that if the value included in the gross estate is greater than the amount finally collected, only the amount collected shall be used in the above computations. Thus, if the amount collected as the fee were only $500, the estate tax deductible on the receipt of such amount would be $\frac{\$500}{\$1,500}$ of $390, or $130.

§ 19.126–4 *Income in respect of decedent dying in taxable year beginning before 1943; tax of decedent*—(a) *In general.* If the last taxable year of the decedent began before January 1, 1943, then, under the law applicable to such taxable year before the enactment of the Revenue Act of 1942 all income in respect of such decedent was includible in his gross income for such taxable year, unless properly includible in gross income for a prior taxable year. (See § 19.42–1) Section 134 (g) of the Revenue Act of 1942 gives the estate of the decedent and those persons entitled upon his death to receive amounts of income not includible in the income of the decedent under his method of accounting (but includible in his income under the provisions of section 42) the right to elect to have such amounts treated for tax purposes under the amendments made by the Revenue Act of 1942, that is, to exclude from the gross income of the decedent for his last taxable year any such amounts not includible therein under his method of accounting, and to include such amounts when received in the gross income of the estate and of the other persons entitled to such amounts by bequest, devise, and inheritance and by reason of the death of the decedent. The election to have these amounts treated in this manner is made by the filing of consents to such treatment by the fiduciary of the estate and by all such persons.

(b) *Consents; tax of estate and persons filing consents.* For the purposes of the election provided by section 134 (g) of the Revenue Act of 1942, the consents must be filed by the fiduciary of the estate and by each person who received any right to income in respect of the decedent by bequest, devise or inheritance from the decedent or by reason of the death of the decedent. Ordinarily, the persons who must file such consents are the administrator or the executor of the estate, the residuary beneficiary of the estate, the trustees and beneficiaries of any trust the corpus of which includes such right to income, every other specific beneficiary of such right, and every person who receives any such right by survivorship, such as the surviving joint tenants of any right to income held in joint tenancy and the surviving co-owners or beneficiaries of any defense bonds owned by the decedent on which there is accrued interest not includible in his gross income under his method of accounting. If any such person is not in existence or is under legal disability, the consent may be made by his legal representative.

All of such consents with respect to any one decedent shall be filed at the same time with the Commissioner of Internal Revenue, Washington, D. C. The consents must be filed not later than one year after the time prescribed for filing the return for the last taxable year of the decedent (not including any extension of time for such filing) or January 1, 1944, whichever is later.

The executor, administrator, or other fiduciary of the estate (or if there is no such fiduciary, the principal beneficiary of the estate) must submit, under oath, a statement accompanying the consents and containing the following information:

(1) A list of all the items included in the gross income of the decedent for his last taxable year which would not be includible therein if the amendments made by section 134 (a) of the Revenue Act of 1942 were applicable to the revenue law in effect for such taxable year. (See § 19.42–1)

(2) The amount included in gross income with respect to each of such items, the aggregate of such amounts, the value included in the gross estate of the decedent with respect to each such item for the purposes of the estate tax, and the aggregate of such values.

(3) A list of all the items, allowed as deductions and credits in computing the net income of the decedent for his last taxable year, which would not be allowable as deductions and credits if the amendments made by section 134 (b) of the Revenue Act of 1942 were applicable to the revenue law in effect for such taxable year. (See § 19.43–1)

(4) The amount allowable as a deduction or credit with respect to each such item listed in (3), the aggregate of such amounts, the amount of the deductions for estate tax purposes from the gross estate of the decedent in respect of claims which are founded upon that portion of such items as are described in section 126 (b), and the aggregate of such deductions.

(5) The names and addresses of every person entitled by bequest, devise or inheritance from the decedent or by reason of the death of the decedent to receive any amount listed in (1).

(6) The names and addresses of every person entitled by bequest, devise or inheritance from the decedent or by reason of the death of the decedent to receive any property subject to an obligation of the decedent for which a deduction or credit described in § 19.126–2 is allowable.

Each consent shall be made under oath and shall contain the following:

(i) The name and address of the person filing the consent, and the collection district in which he files his return.

(ii) The name and address of the decedent, the date of his death, the period covered by his last income tax return, and the collection district in which such return was filed.

(iii) A list of all the items (at face value) of income in respect of the decedent to which the person filing the consent was entitled by bequest, devise or inheritance from the decedent or by reason of the death of the decedent. If the person filing the consent is the fiduciary of the estate of the decedent, the list shall set forth every item (at face value) of income in respect of the decedent acquired by the estate from the decedent. If any items listed on the consent were collected before the time the consent was filed, or if the right to receive any such items was transferred before such time to any person not entitled to such right by bequest, devise or inheritance, or by reason of the death of the decedent, then the list must show the amount collected in respect of each such item, or its fair market value at the time it was transferred, any consideration received for the transfer, and the date of such collection or transfer.

(iv) A list of all the items in respect of the decedent for which such person may claim deductions and credits described in § 19.126–2, showing the face value of such items, the property received by bequest, devise or inheritance from the decedent or by reason of the death of the decedent subject to the obligation for which any such deduction is allowed, and, if any such obligation has been paid, the amount and date paid.

(v) A recomputation of the net income and of the tax of the person filing the consent, made (*a*) for each taxable year in which any item described in (iii) was collected, or in which the right to any such item was transferred to a person not entitled to such right by bequest, devise or inheritance from the decedent or by reason of the death of the decedent, (*b*) for each taxable year in which any item listed in (iv) was paid, or would otherwise be allowed as a deduction or credit under § 19.126–2, and (*c*) for each taxable year in which there is a carry-over or carry-back of any item from any taxable year described in subdivisions (*a*) and (*b*). Such recomputation shall be made under the provisions of §§ 19.126–1, 19.126–2, and 19.126–3 by including in gross income the income in respect of the decedent which is includible under section 126 (a) and by allowing as deductions and credits the deductions and credits which are allowable under section 126 (b) and (c) when section 126 is made applicable to such taxable year and when the amendments made by section 134 (a) and (b) of the Revenue Act of 1942 are made applicable to the law in effect for the last taxable year of the decedent (see §§ 19.42–1 and 19.43–1). This recomputation shall be made only for taxable years the returns for which were due prior to the date the consent is filed. The increase or decrease in tax for each such taxable year as a result of such recomputation shall be shown, as well as the aggregate of such increases and the aggregate of such decreases.

(vi) An unqualified statement by the person filing the consent agreeing that his tax for each taxable year ending on or after the date the decedent died and the tax of the decedent for his last taxable year shall be computed under the provisions of section 134 (g) of the Revenue Act of 1942.

A payment equal to the excess of the aggregate of the increases over the aggregate of the decreases in tax set out in subdivision (v) on the consent must accompany the filing of the consent. The period of limitations for assessing or collecting the increase in tax upon such recomputation for each such previous year includes one year immediately after the filing of the consents, and such assessment and collection may be made whether or not any period of limitation or any rule of law (such as a previous judicial determination of the tax liability for such year) would otherwise prevent such collection or assessment. Interest on the increase in tax for each previous taxable year is measured from the date prescribed by law for the payment of the tax for such previous taxable year. If the aggregate of the decreases in tax exceeds the aggregate of the increases in tax, the taxpayer may file claim for credit or refund of such excess, and the period of limitation for filing such claim includes one year immediately after the filing of the consents. Such credit or refund may be made whether or not any period of limitations or any rule of law would otherwise prevent such credit or refund. The amount of such credit or refund will not be limited by section 322 (b) (2) or (3). No interest will be allowed with respect to any such credit or refund.

The person filing his consent must compute his tax for each taxable year, the return for which is due on or after the date the consent is filed, under the provisions of section 126 as if the amendments made by section 134 (a) and (b) were effective with respect to the revenue law applicable to the taxable year in which the decedent died. (See §§ 19.42–1, 19.43–1, 19.126–1, 19.126–2, and 19.126–3.)

(c) *Tax for last taxable year of decedent if consents filed.* If the consents described in subsection (b) are properly filed, the tax of the decedent for his last taxable year computed as if the amendments made by section 134 (a) and (b) of the Revenue Act of 1942 were applicable to the revenue law in effect for such taxable year of the decedent. See §§ 19.42–1 and 19.43–1. However, no interest shall be allowed with respect to any credit or refund of any overpayment for such taxable year resulting from the application of these amendments. Furthermore, credit or refund of any such overpayment is only allowed subject to the provisions of section 322, and nothing in section 134 of the Revenue Act of 1942 makes any change in any provision of law which limits the allowance of credit or refund of an overpayment for the last taxable year of the decedent. Thus, if the claim for the credit or refund of an overpayment, caused by the application of section 134 (g) of the Revenue Act of 1942, is not filed within three years after the return for the last taxable year of the decedent was filed or two years after the last payment of tax for such taxable year was made, then no refund is allowable. If the claim is filed within such period, the refund which may be made must not exceed the portion of the tax paid within the period, preceding the filing of the claim for credit or refund, prescribed by section 322 (b) (2). For example, the last taxable year of the decedent began in 1939, the return for such year was filed on March 15, 1940, and the tax shown on the return was paid on that date. Later, a deficiency of $1,000 was assessed, and this amount was paid in full on December 31, 1941. The application of section 134 (g) to such taxable year results in an overpayment of $5,000, and claim for credit or refund of such overpayment is filed on December 15, 1943 (within two years after the payment of tax on December 31, 1941). The credit or refund which is allowed for such taxable year is limited under section 322 (b) (2) to $1,000, the portion of the tax paid within three years before the claim is filed. If the executor or other personal representative of the decedent had contested the deficiency paid on December 31, 1941, before the Board, or had previously sued for refund, and the tax liability for the decedent's last taxable year had been finally determined, no credit or refund could be allowed or made for such taxable year by reason of an overpayment resulting from the application of section 134 (g) of the Revenue Act of 1942.

In cases in which the decedent had more deductions subject to the amendment made by section 134 (b) of the Revenue Act of 1942 than income subject to the amendment made by section 134 (a) of such Revenue Act, a deficiency for his last taxable year may result from the retroactive application of such amendments under section 134 (g) of that Act. Since the estate and the beneficiaries, in the filed consents, agree to the redetermination of the tax of the decedent for his last taxable year, such tax will be assessed and collected notwithstanding the prior running of any period of limitations or any other rule of law which would otherwise bar such assessment and collection.

Since the income tax of the decedent for his last taxable year was deductible as a claim against his estate in determining the estate tax, any overpayment of income tax for his last taxable year may have been an improper deduction from his gross estate. Therefore, if any such overpayment is determined for such taxable year by reason of the application of section 134 of the Revenue Act of 1942, the estate tax must then be recomputed by disallowing any deduction of such overpayment of income tax, and upon this recomputation a deficiency in estate taxes may be determined. If at the time any credit or refund of such overpayment in income tax is allowed or made, the assessment and collection of the deficiency in estate taxes are barred by any provision of the internal revenue laws or by any rule of law, then the amount of such deficiency in estate taxes is deducted from the amount which would otherwise be refunded or credited.

Similarly, if there was a deficiency in income tax for the last taxable year of the decedent, by reason of the application of section 134 (g) of the Revenue Act of 1942, then the deduction for income tax of the decedent in computing his net estate for estate tax purposes may have been too small, and an overpayment of estate taxes may have resulted. If credit or refund of this overpayment is barred at the time the deficiency in income taxes is assessed, the amount of the deficiency in income taxes shall be reduced by the amount of any such overpayment in estate taxes.

PAR. 5. There is inserted immediately after § 19.22 (k)–1 of Regulations 103 the following:

[SEC. 22. GROSS INCOME.]

SEC. 134. INCOME IN RESPECT OF DECEDENTS. (Revenue Act of 1942, Title I.)

* * * * *

(c) *Cross reference.* Section 22 (relating to definition of gross income) is amended by inserting at the end thereof the following:

(1) *Income of decedents.* For inclusion in gross income of certain amounts which constituted gross income in respect of a decedent, see section 126.

* * * * *

(f) *Effective date of amendments.* The amendments made by subsections (a) and (b) of this section shall be applicable with respect to taxable years beginning after December 31, 1942, and the amendments made by subsections (c), (d), and (e) of this section shall be applicable with respect to taxable years ending after December 31, 1942.

* * * * *

PAR. 7. There is inserted immediately preceding the quotation of section 23 (x) which precedes § 19.23 (x)–1 of Regulations 103 the following:

[SEC. 23. DEDUCTIONS FROM GROSS INCOME.]
[In computing net income there shall be allowed as deductions:]

SEC. 134. INCOME IN RESPECT OF DECEDENTS. (Revenue Act of 1942, Title I.)

* * * * *

(d) *Deductions of estate.* Section 23 (relating to deductions) is amended by inserting at the end thereof the following:

(w) *Deductions of estate, etc., on account of decedent's deductions.*

(1) In the case of a person described in section 126 (b), the amount of the deductions in respect of a decedent to the extent allowed by such subsection.

(2) In the case of a person described in section 126 (a), the amount of the deductions in respect of a decedent to the extent allowed by section 126 (c).

* * * * *

(f) *Effective date of amendments.*—The amendments made by subsections (a) and (b) of this section shall be applicable with respect to taxable years beginning after December 31, 1942, and the amendments made by subsections (c), (d), and (e) of this section shall be applicable with respect to taxable years ending after December 31, 1942.

* * * * *

PAR. 8. The foregoing provisions of paragraphs 1, 2, 3, 4, and 5 of this Treasury decision relative to cases involving decedents who died during taxable years which began before January 1, 1943 are hereby made applicable to all such cases in which the decedent died during a taxable year which began after December 31, 1933 and before January 1, 1939. Upon proper compliance by the estate, beneficiaries, and survivors of the decedent with the provisions of section 134 (g) of the Revenue Act of 1942 and with the provisions of paragraph 5 of this Treasury decision, provisions corresponding to the provisions of section 126 of the Internal Revenue Code, inserted therein by section 134 (e) of the Revenue Act of 1942, shall be considered a part of the Internal Revenue Code and of the Revenue Acts of 1938, 1936, and 1934 applicable to taxable years of such estate, beneficiaries, and survivors ending on or after the date of such decedent's death, the amendment to the last sentence of section 42 (a) of the Internal Revenue Code made by section 134 (a) of the Revenue Act of 1942 shall be considered an amendment to the last sentence of section 42 of the Revenue Act of 1938, 1936, or 1934, whichever is applicable to the last taxable year of the decedent, and the amendment to section 43 of the Internal Revenue Code made by section 134 (b) of the Revenue Act of 1942 shall be considered an amendment to the last sentence of section 43 of the Revenue Act of 1938, 1936, or 1934, whichever is applicable to the last taxable year of the decedent. The amendments to §§ 19.42–1 and 19.43–1 made in paragraphs 2 and 4 of this Treasury decision shall also be considered amendments to the corresponding provisions of articles 42–1 and 43–1 of Regulations 101, 94, and 86.

(Sec. 134 of the Revenue Act of 1942 (Pub. Law 753, 77th Cong.), secs. 42, 43, and 62, Internal Revenue Code (53 Stat., 24, 32, 26 U.S.C., 1940 ed., 42, 43, 62), and sections 42, 43, and 62 of the Revenue Acts of 1938, 1936, and 1934 (52 Stat., 473, 480, 26 U.S.C., Sup., 42, 43, 62; 49 Stat., 1666, 1673, 26 U.S.C., Sup., 42, 43, 62; 48 Stat., 694, 700, 26 U.S.C., 42, 43, 62))

[SEAL] GUY T. HELVERING,
Commissioner.

Approved: February 26, 1943.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 43–3215; Filed, March 1, 1943; 11:02 a. m.]

TITLE 29—LABOR

Subtitle A—Office of the Secretary of Labor

PART 3—DETERMINATIONS RELATING TO OVERTIME, SUNDAY, AND HOLIDAY PAY

DETERMINATION UNDER EXECUTIVE ORDER TO THE SHIPBUILDING AND SHIP REPAIR INDUSTRY

Wage stabilization agreements for the shipbuilding and ship repair industry which stabilize, among other things, overtime compensation practices in that industry have been in operation since April 1941. Orders temporarily staying the application of Executive Order 9240 (7 F.R. 7159) to work subject to these agreements, which have previously been issued by me pursuant to Executive Order 9248 (7 F.R. 7419), at the request of the Chairman of the Shipbuilding Stabilization Committee of the War Production Board, expire March 2, 1943. These agreements have been approved by the Government departments and agencies concerned with shipbuilding and ship repair work. The Shipbuilding Stabilization Committee which administers these stabilization agreements, entitled "Zone Standards Agreements for the Shipbuilding and Ship Repair Industry" and the "Pacific Coast Repair Agreements," has informed me that the agreements are operating satisfactorily in the shipbuilding and ship repair industry and has made application for a determination that the provisions of Executive Order 9240 shall not apply to the shipbuilding and ship repair industry. The Navy Department, Maritime Commission, and War Department, which are parties to the stabilization agreements, have concurred in the application.

Upon investigation, it appears that these wage stabilization agreements approved by a Government department or agency are operating satisfactorily to stabilize overtime practices in the industry.

Now, therefore, by virtue of the power vested in me by Executive Order 9248, *It is ordered*, That the provisions of Executive Order 9240, entitled "Regulations Relating to Overtime Wage Compensation," shall not apply after March 2, 1943, to the shipbuilding and ship repair industry.

Dated: February 25, 1943.

FRANCES PERKINS,
Secretary of Labor.

[F. R. Doc. 43–3216; Filed, March 1, 1943; 11:20 a. m.]

TITLE 30—MINERAL RESOURCES

Chapter III—Bituminous Coal Division

[Docket No. A–1711]

PART 333—MINIMUM PRICE SCHEDULE, DISTRICT NO. 13

ORDER GRANTING RELIEF, ETC.

Memorandum opinion and order granting temporary relief and conditionally providing for final relief in the matter of the petition of DeBardeleben Coal Corporation for permission to absorb an increase of 65 cents per car in switching and weighing charges in delivery of locomotive fuel from its Hull Mine to the Illinois Central Railroad.

On October 23, 1942, the DeBardeleben Coal Corporation, a code member in District No. 13, filed an original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, with the Bituminous Coal Division, requesting permission to absorb increased switching and weighing charges from the minimum prices applicable to its shipments of coals produced at its Hull Mine (Mine Index No. 44) in District No. 13, for locomotive fuel use to the Illinois Central Railroad.

The Schedule of Effective Minimum Prices for District No. 13 for All Shipments Except Truck permits the DeBardeleben Coal Corporation to absorb a weighing and switching charge of $10.73 per car on coals produced at its Hull Mine for shipment as locomotive fuel to the Illinois Central Railroad. Petitioner alleges that this weighing and switching charge was increased six per cent, or 65 cents per car, that is, by 50 cents per car in the switching charge and 15 cents per car in the weighing charge, in Ex Parte #148 before the Interstate Commerce Commission, effective April 11, 1942; and that it should be permitted to absorb this increase in order to place the Hull coals for shipment off line to the Illinois Central Railroad on a competitive delivered basis with Alabama mines served directly by that railroad.

It appears that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth.

No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act;

Now, therefore, It is ordered, That, pending further order in the above-entitled matter, temporary relief is granted as follows: commencing forthwith § 333.7 (*Special prices*—(a) *Prices for shipment to all railroads and for exclusive use of railroads*), footnote 3, is amended as follows:

The Hull Mine (Mine Index No. 44) may reduce the price listed above when for delivery as locomotive fuel to the Illinois Central Railroad by absorbing the actual weighing and switching charges but not to exceed $11.38 per car.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division within forty-five (45) days from the date of this order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this order, unless it shall otherwise be ordered.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-3154; Filed, February 27, 1943; 11:05 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter VIII—Board of Economic Warfare

Subchapter B—Export Control

[Amendment 20]

PART 808—PROCEDURE RELATING TO SHIPMENT OF LICENSED EXPORTS TO THE OTHER AMERICAN REPUBLICS

APPLICATION PROCEDURE, AMENDMENT

Section 808.6 *Application procedure* is hereby amended by adding the following new paragraph:

§ 808.6 *Application procedure.* * * *

(f) *Certain associations; multiple consignors.* Any association organized pursuant to the Export Trade Act (U.S.C. Title 15, section 61) may, upon specific authorization from the Office of Exports, file in the name of the association one combined application for freight space on Form BEW-138, subject to the following conditions:

(1) The association shall obtain from each member a statement to be filed with the Office of Exports in the following form properly filled out:

This is to certify that the undersigned ---------- company, of ---------- (City) and ---------- (State) is a member of the ---------- Association.

The undersigned and its subsidiary companies agree that in the event the Office of Exports, Board of Economic Warfare, determines to authorize the Association to obtain an assignment of shipping space for all the members of the Association, it will:

(1) Accept such part of the total space allocated to the Association as the Executive Secretary of the Association shall allocate to it.

(2) Ship only to such consignees as are approved by the Office of Exports, Board of Economic Warfare.

(3) Not file individual applications for shipping space.

This agreement is effective as of ----------, 1943, and may be revoked upon thirty (30) days written notice to the Office of Exports, Board of Economic Warfare.

(Signature)

(2) The combined application for freight space shall contain the names of the members represented thereby, together with their particular consignees, ultimate consignees and purchasers.

(3) The tonnage allotted by the Office of Exports upon certification of the application shall be divided by the association among the members represented by such certified application.

(4) The association shall notify the Office of Exports and the War Shipping Administration of the particular commodity and amount thereof each member proposes to ship against the certified application.

(5) The members shall then book their proposed shipments directly with the ship operator under the serial number assigned to the certified application.

(6) When the shipments have cleared port, the members shall notify the association of the amount of the commodity shipped, the consignee thereof and the carrier vessel.

(Sec. 6, 54 Stat. 714; Pub. Laws 75 and 638, 77th Cong.; Order No. 3 and Delegation of Authority No. 25, 7 F.R. 4951; Delegation of Authority No. 40, 8 F.R. 1938)

Dated: February 26, 1943.

A. N. ZIEGLER,
Acting Chief of Office,
Office of Exports.

[F. R. Doc. 43-3162; Filed February 27, 1943; 11:39 a. m.]

Chapter IX—War Production Board

Subchapter B—Director General for Operations

AUTHORITY: Regulations in this subchapter issued under P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.

PART 1095—COMMUNICATIONS

[General Conservation Order L-204 as Amended Feb. 27, 1943]

The fulfillment of requirements for the defense of the United States has created a shortage of materials for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1095.20 *General Conservation Order L-204*—(a) *Definitions.* For the purposes of this order:

(1) "Person" means any individual, partnership, association, business trust, corporation, receiver or any form of enterprise whatsoever, whether incorporated or not.

(2) "Telephone set" means an assemblage of apparatus including a telephone transmitter and a telephone receiver together with its immediately associated devices and wiring (including a wire intercommunicating set which does not employ electronic tubes as an essential part of such set and is employed in intercommunicating systems operated independently of public telephone systems) for use in wire telephone communication. It shall not include any telephone set or auxiliary devices contained on List A attached.

(3) "Manufacturer" means any person who manufactures or assembles telephone sets. It shall not include any person to the extent that he is engaged in the repair or reconditioning of used telephone sets.

(4) [Revoked Feb. 27, 1943]

(b) *General restrictions.* (1) No manufacturer shall produce telephone sets on or after the 27th day of February 1943, except wire intercommunicating telephone sets:

(i) To fill an order bearing a preference rating of AA-3 or higher for a maintenance replacement or for an extension of an existing wire intercommunicating set or system.

(ii) To fill an order bearing a preference rating of AA-1 or higher for a new installation of a wire intercommunicating system.

(c) *Records.* All manufacturers affected by this order shall keep and preserve for not less than two years accurate and complete records concerning production and sales of telephone sets.

(d) *Reports.* Each manufacturer affected by this order shall file such reports and questionnaires with the War Production Board as may from time to time be required by the Director General for Operations.

(e) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the priorities regulations of the War Production Board, as amended from time to time.

(f) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime, and upon conviction

may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from process or use of, material under priority control, and may be deprived of priorities assistance.

(g) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(h) *Communications.* All reports to be filed, and other communications concerning this order should be addressed to: War Production Board, Communications Division, Washington, D. C. Ref: L-204.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

LIST A

[NOTE: List A added Feb. 27, 1943]

Jacks and plugs.
Switching keys.
Extension bells.
Loud-ringing bells.
Connecting blocks.
Protectors.
Station drop and line wiring and cabling.
Head and chest telephone sets.
Telephone test sets for use in connection with the construction and maintenance of wire communication plant.
Explosion proof sets for use in mines, and in locations in munitions plants and other essential industries where the use of a standard telephone set would give rise to danger of explosion.
Telephone sets, of special design, required for use on shipboard or in connection with underwater and flying operations and for gas masks.
"Push-to-talk" handsets, that is, hand sets having a selector device which permits the use of either the transmitter or the receiver or both, for use by the armed services.
Portable telephone sets and sound powered telephone sets used by the Army or Navy of the United States, the United States Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the Forest Service, and on the Alcan Highway.
Any telephone set assembled in connection with a coin collecting device for use as a public pay station.
Outdoor telephone sets which are so designed as to employ a minimum of critical materials consistent with the essential service requirements.
Any telephone set specially treated to meet climatic conditions and for use outside the continental United States of America ordered by or for the account of any of the governmental agencies or governments listed below, or any telephone set for use in combat or for combat equipment, ordered by or for the account of:

(1) The Army or Navy of the United States, the United States Maritime Commission, the War Shipping Administration, the Panama Canal, the Coast Guard, the Civil Aeronautics Administration; or

(2) The government of any of the following countries: Belgium, China, Czechoslovakia, Free France, Greece, Iceland, Netherlands, Norway, Poland, Russia, Turkey, United Kingdom, including its dominions, crown colonies and protectorates, and Yugoslavia; or

(3) Any other country, including those of the Western Hemisphere, now or hereafter designated, pursuant to the Act of March 11, 1941 entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

[F. R. Doc. 43-3141; Filed, February 27, 1943; 10:29 a. m.]

PART 1226—GENERAL INDUSTRIAL EQUIPMENT

[Limitation Order L-123 as Amended Feb. 27, 1943]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of certain critical materials used in the manufacture of general industrial equipment for defense, for private account and export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1226.1 *General Limitation Order L-123*—(a) *Definitions.* For the purpose of this order:

(1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "General industrial equipment" means new equipment of the kinds listed, from time to time, in list A. General industrial equipment shall be deemed to be new when it has not been delivered to any person acquiring it for use.

(3) "Manufacturer" means any person producing general industrial equipment.

(4) "Distributor" means any person in the business of distributing general industrial equipment.

(5) "Order" means any commitment or other arrangement for the delivery of general industrial equipment, whether by purchase, lease, rental, or otherwise.

(6) "Approved order" means:

(i) Any order for general industrial equipment bearing a preference rating of A-1-c or higher.

(ii) Any order for general industrial equipment for the Army, the Navy, the Maritime Commission, the War Shipping Administration, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Committee for Aeronautics, and the Office of Scientific Research and Development.

(iii) Any order for general industrial equipment which the Director General for Operations authorizes for delivery pursuant to paragraph (b) (2) hereof.

(b) *Restrictions on acceptance of orders for, and production and distribution of general industrial equipment*—(1) *General restrictions.* (i) No person shall accept any order for general industrial equipment or commence production of any general industrial equipment in fulfillment of any order, whether accepted or not; unless such order is an approved order.

(ii) No person shall deliver, and no person shall accept delivery of, any general industrial equipment, except pursuant to an approved order: *Provided, however,* That the provisions of this paragraph (b) (1) shall not prohibit the production and delivery, prior to October 1, 1942, of general industrial equipment in fulfillment of an order accepted prior to August 27, 1942 and bearing a preference rating of A-9 or higher; and *Provided further,* That nothing in this order shall prevent shipment of general industrial equipment from any manufacturer to any distributor to fill approved orders actually received by such distributor or to replace general industrial equipment delivered by such distributor to fill an approved order nor shall this order limit the right of a manufacturer legally to extend any preference rating certificate to secure material for the production of approved orders for general industrial equipment.

(2) *Authorization for orders on books.* Manufacturers or distributors may apply for authorization to commence production of, or to deliver, orders now on their books which are not approved orders, by filing with the War Production Board, a list in triplicate, plainly marked Ref: L-123, of all such orders, together with the name of the purchaser or lessee, the date of the order, the number of pieces of equipment or machinery, the rating assigned, the preference rating certificate number, if any (or blanket preference rating order and serial number), a description of the machinery, the value of the machinery, the specified delivery date, the extent of completion of the order, and the expected use to which the machinery will be put. The Director General for Operations may thereupon authorize the production or delivery of any such orders, or the assignment of preference ratings thereto.

(c) *Non-applicability to repair or maintenance.* (1) The provisions of paragraph (b) shall not apply to any order for, or delivery of, maintenance or repair parts, (i) in an amount not exceeding $1,000 for any single piece of general industrial equipment to be repaired or maintained; or (ii) in any amount for the repair of general industrial equipment when there is an actual breakdown or suspension of operations of such piece of equipment because of damage, wear and tear, destruction or failure of parts, or the like, and the essential repair or maintenance parts are not otherwise available.

(2) [Revoked February 27, 1943]

(d) *Applicability of Priorities Regulation No. 1.* This order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time

to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this order shall govern.

(e) *Applicability of other orders.* Nothing in this order shall be construed to permit any person to sell, deliver, or otherwise transfer, or any manufacturer to purchase, receive delivery of, acquire, fabricate or process in any manner, any raw materials, semi-fabricated parts, or finished parts in contravention of terms of any regulation of the War Production Board, effective at the date of any of the transactions specified in this paragraph.

(f) *Existing contracts.* Fulfillment of contracts in violation of this order is prohibited regardless of whether such contracts are entered into before or after May 26, 1942. No person shall be held liable for damages or penalties for default under any contract or order which shall result directly or indirectly from his compliance with the terms of this order.

(g) *Appeals.* Any person affected by this order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him may appeal to the War Production Board setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(h) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C. Ref.: L–123.

(i) *Records and reports.* All manufacturers and distributors affected by this order shall keep and preserve for not less than two years accurate and complete records concerning production, deliveries, and orders for general industrial equipment. All persons affected by this order shall execute and file with the Director General for Operations, War Production Board, such reports and questionnaires as said Director shall from time to time request.

(j) *Violations.* Any person who wilfully violates any provision of this order, or who wilfully furnishes false information to the Director General for Operations in connection with this order is guilty of a crime and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control and may be deprived of priorities assistance by the Director General for Operations.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

LIST A

NOTE: List A, amended February 27, 1943.

1. Conveying machinery (and any important component part thereof) used for the mechanical handling of materials; except (i) farm elevators included within the provisions of Order L–26, as amended, (ii) machinery or parts used on board ship in the operation of any vessel, or used in the operation of aircraft, tanks, ordnance, or similar combat equipment, (iii) power and hand lift trucks, (iv) cranes, hoists and platform elevators, (v) construction mixers, pavers, graders, drag lines and power shovels, and similar construction machinery, (vi) cars and car dumpers, (vii) steel mill tables, (viii), sintering conveyors, (ix) metal pig conveyors, (x) underground mining machinery (other than slope conveyors); and (xi) conveying machinery covered by any order authorized by the Director General for Operations under Order L–193.

2. Mechanical power transmission equipment (and any important component part thereof) of the following kinds (except (i) equipment or parts used in the operation of any vessel, or in the operation of aircraft, tanks, ordnance or similar combat equipment or (ii) equipment covered by any order authorized by the Director General for Operations under Order L–193):

(a) Open and enclosed gearing for transmitting more than ¼ horse power; except marine propulsion gears, gears used as an integral part of a machine, gears built into a turbine, and gears used on household manually powered, automotive, or farm machinery;

(b) Mechanical drives and parts thereof for transmitting more than ¼ horse power; except belting, drives used as an integral part of a machine and drives used on household, manually powered, automotive, or farm machinery

3. [Revoked Feb. 27, 1943]

4. Turbo blowers, except turbo blowers covered by the provisions of Limitation Order L–163.

5. Industrial compressors and vacuum pumps, mechanically operated, all types; except "Critical Compressors" as defined in General Limitation Order L–100, and units having a displacement of less than one cubic foot per minute.

6. [Revoked Feb. 27, 1943]

7. [Revoked Feb. 27, 1943]

8. Stationary steam engines, except marine engines and steam engine generator sets.

9. Air washers.

10. Heat exchangers; except (i) heat exchangers for domestic use, (ii) heat exchangers covered by the provisions of Limitation Order L–172 (iii) surface condensers, (iv) unit heaters, (v) unit ventilators, (vi) blast heating surfaces not enclosed in a pressure vessel, and (vii) convectors designed and used solely for comfort heating of building spaces or for processes requiring heat. "Surface Condenser" means any device consisting of a shell and bare tubes, including auxiliary air removal equipment when such auxiliary equipment is purchased with and used on said device, which condenses exhaust steam from a steam driven prime mover for the purpose of maintaining a minimum absolute exhaust pressure.

11. Industrial dust collectors.

12. [Revoked Feb. 27, 1943]

13. Portable (platform type) elevators and steel platforms. "Portable (platform type) elevator" means any device mounted on wheels or casters with either power operated or hand operated lift, used primarily to elevate and lower material for the purpose of tiering or stacking; and "steel platform" means any steel platform or skid, with or without box tops or enclosures, standing on legs or legs and wheels, designed for use in handling material in conjunction with hand or power operated lift trucks, portable (platform type) elevators, lift jacks or other similar devices.

14. [Revoked Feb. 27, 1943]

15. [Revoked Feb. 27, 1943]

16. [Revoked Feb. 27, 1943]

17. Safety switches and knife switches, single and double throw, two, three and four pole, rated 60 amperes and higher, 600 volts and below.

18. Circuit breakers, thermal and magnetic trip, manually and electrically operated, rated 50 to 575 amperes, inclusive, 600 volts and below.

19. Lifting magnets, circular type, 18 inches in diameter and larger; and lifting magnet controllers.

20. Dynamometers, electric type; and rotary converters.

21. Electric motors, rated less than one horsepower; except motors used in the operation of passenger automobiles, trucks, truck trailers, passenger carriers and off-the-highway motor vehicles, as defined in Order L–158, or in the operation of stationary automotive type engines.

INTERPRETATION 1

General industrial equipment shall be considered to be delivered, within the meaning of this order, prior to May 26, 1942, when the machinery or equipment has been placed in the hands of a common or contract carrier for shipment to the purchaser prior to May 26, 1942. (Issued June 13, 1942.)

INTERPRETATION 2

Paragraph (a) (2) defines "general industrial equipment" to mean new equipment of the kinds listed, from time to time, in List A to the order. Such equipment is deemed to be new when it has not been delivered to any person acquiring it for use. Paragraph (b) imposes restrictions on the acceptance of orders for, and commencement of production and deliveries of, general industrial equipment.

Paragraph (c) provides an exemption from the restrictions of paragraph (b) for any order or delivery of maintenance and repair parts in an amount not exceeding $1,000 for any single piece of general industrial equipment to be repaired or maintained; or in any amount for the repair of general industrial equipment when there is an actual breakdown or suspension of operations of such piece of equipment. The exemption provided in paragraph (c) is intended for such repair or maintenance parts to be used to repair or maintain any existing equipment, i. e., equipment which has been delivered for use to a user and requires repair or maintenance. The exemption is not intended to apply to spare parts for new equipment nor is it limited to the repair or maintenance of equipment delivered after the date of the order. (Issued December 14, 1942.)

[F. R. Doc. 43–3140; Filed, February 27, 1943; 10:29 a. m.]

PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED MATERIALS PLAN

[CMP Reg. 1, as Amended Feb. 27, 1943]

§ 3175.1 *CMP Regulation 1*—(a) *Purpose and scope.* The purpose of this regulation is to define the rights and obligations under the Controlled Materials Plan of persons outside of the Claimant Agencies and the War Production Board. This regulation and other CMP regulations to be issued from time to time implement the "Controlled Materials Plan" which was published by the War Production Board, for informational purposes only, under date of November 2, 1942. In case of any inconsistency between such publication (or any other descriptive literature which may be published from time to time) and any CMP regulation, the provisions of the CMP regulation shall govern. Other CMP regulations contain, or will contain, provisions regarding such matters as inventory restrictions, preference ratings, warehouses, dealers, maintenance, repair and operating supplies, construction and facilities, and reports.

(b) *Definitions.* The following definitions shall apply for the purposes of this regulation and for the purposes of any other CMP regulation unless otherwise indicated:

(1) "Controlled material" means steel—both carbon (including wrought iron) and alloy—copper (including copper base alloys) and aluminum, in each case only in the forms and shapes indicated in Schedule I attached.

(2) "Controlled Materials Division" means the Steel Division, the Copper Division or the Aluminum Division of the War Production Board.

(3) "Industry Division" means the Division, Bureau, or other unit of the War Production Board which is charged with supervision over the operations of a particular industry. The term also includes any other government agency which, by arrangement with the War Production Board, may perform similar functions with respect to a particular industry.

(4) "Claimant Agency" means the following government offices and such others as may be designated from time to time. (Identifying symbols are indicated in parentheses.)

War Department (W)—except Ordnance which is identified by the symbol (O).
Navy Department (N).
Maritime Commission (M).
Aircraft Resources Control Office (agent for Army Air Forces and Bureau of Aeronautics of United States Navy) (C).
Office of Lend-Lease Administration (L).
Board of Economic Warfare (E).
Office of Civilian Supply (S).
Department of Agriculture (A).
Office of Defense Transportation (T).
Office of Rubber Director (R).
Facilities Bureau of the War Production Board (F).
Petroleum Administration for War (P).
National Housing Agency (H).
Office of War Utilities Director (U).

The symbol (D) will be used in lieu of Claimant Agency symbols to identify certain programs covering items destined for the Dominion of Canada.

(5) "Allotment" means (i), a determination by the Requirements Committee of the War Production Board of the amount of controlled materials which a Claimant Agency may receive during a specified period, or (ii) a further determination pursuant thereto by a Claimant Agency, Industry Division, prime consumer or secondary consumer, as to the portion of its allotment of controlled materials which may be received by one of its prime consumers or secondary consumers, as the case may be.

(6) "Prime consumer" means any person who receives an allotment of controlled material from a Claimant Agency or an Industry Division.

(7) "Secondary consumer" means any person who receives an allotment of controlled material from a prime consumer or another secondary consumer.

(8) "Class A product" means any product which is not a Class B product (as defined in subparagraph (9) below), and which contains any steel, copper or aluminum, fabricated or assembled beyond the forms and shapes specified in Schedule I, other than such steel, copper or aluminum as may be contained in Class B products incorporated in it as parts or sub-assemblies

(9) "Class B product" means any product listed in the "Official CMP Class B Product List" issued by the War Production Board, as the same may be modified from time to time, which contains any steel, copper or aluminum, fabricated or assembled beyond the forms and shapes specified in Schedule I, other than such as may be contained in other Class B products incorporated in it as parts or sub-assemblies.

(10) "Program" means a plan specifying the total amount of an item or class of items to be provided in a specified period of time.

(11) "Authorized program" means a program specifically authorized by the Requirements Committee or by a Claimant Agency or Industry Division within the limits of its allotment.

(12) "Production schedule" means a plan specifying the total amount of an item or class of items to be produced by an individual consumer in a specified period of time.

(13) "Authorized production schedule" means a production schedule specifically authorized within the limits of an authorized program by a Claimant Agency or by an Industry Division with respect to a prime consumer, or specifically authorized by a prime or secondary consumer with respect to a secondary consumer producing products for it as required to meet an authorized production schedule.

(14) "Delivery order" means any purchase order, contract, release or shipping instruction which constitutes a definite and complete instruction from a purchaser to a seller calling for delivery of any material or product. The term does not include any contract, purchase order, or other arrangement which, although specifying the total amount to be delivered, contemplates that further instructions are to be given.

(15) "Authorized controlled material order" means any delivery order for any controlled material as such (as distinct from a product containing controlled material) which is placed pursuant to an allotment as provided in paragraph(s) of this regulation or which is specifically designated to be such an order by any regulation or order of the War Production Board.

(c) *General allotment procedure*—(1) *Allotments by Requirements Committee to Claimant Agencies.* The Requirements Committee of the War Production Board will distribute the available supply of controlled materials by making allotments to the Claimant Agencies or Industry Divisions for each quarter, designating the amount of each form of controlled material available, during the quarter, to each Claimant Agency or Industry Division for allotment to its prime and secondary consumers.

(2) *Allotments by Claimant Agencies to prime consumers producing Class A products.* Each Claimant Agency will distribute the allotments received by it by making further allotments to the prime consumers who produce Class A products for it. Such allotments will designate the amount of each form of controlled material available to each such prime consumer, during the quarter, for use by it or allotment to the secondary consumers producing Class A products as parts or sub-assemblies for it. A prime consumer producing Class A products for several Claimant Agencies shall obtain separate allotments from each. A Claimant Agency, may, in particular cases, make allotments through an Industry Division.

(3) *Allotments by Industry Divisions to producers of Class B products.* Unless otherwise specifically directed, allotments to producers of Class B products will be made only by Industry Divisions, both in the case of Class B products which are end-products and in the case of Class B products which are incorporated in other products whether Class A or Class B. Allotments made by the Requirements Committee may be made available to the Industry Divisions for this purpose by the Claimant Agencies. Each Industry Division will make allotments to the prime consumers producing Class B products under its jurisdiction. Such allotments will designate the amount of each form of controlled material available to each such prime consumer, during the quarter, for use by it or allotment to secondary consumers producing Class A products for it. A manufacturer of several Class B products coming under the jurisdiction of different Industry Divisions shall obtain separate allotments from each. A consumer producing Class B products is always a prime consumer with respect to such production.

(4) *Allotments by prime and secondary consumers.* Each prime consumer receiving an allotment may use that portion of the allotment which he requires to obtain controlled materials as such for his authorized production schedule, and shall allot the remainder to his secondary consumers producing Class A products for him, to cover their requirements for controlled materials. Allotments by secondary consumers to secondary consumers supplying them may be made in the same fashion. A secondary consumer producing Class A products for several other consumers shall obtain separate allotments from each.

(5) *Advance allotments.* Advance allotments by Claimant Agencies or Industry Divisions to prime consumers may be made within specified limits before receipt of allotments from the Requirements Committee in order to assure fulfillment of long term programs and schedules. Prime consumers receiving such advance allotments may, in turn, make allotments to their secondary consumers, and secondary consumers may make further allotments, in the same manner as in the case of ordinary allotments, but no consumer shall make any allotment in advance of receiving his own allotment.

(6) *Allotment numbers.* (i) Allotments to prime consumers shall be identified by allotment numbers consisting of a Claimant Agency letter symbol and nine digits. The Claimant Agency symbol is indicated after the name of each Agency in paragraph (b) (4) of this regulation. The first four digits identify the authorized program of the Claimant Agency The next three digits identify the authorized production schedule of the prime consumer. The last two digits indicate the quarter for which the allotment is valid, instead of indicating the month as originally provided prior to amendment of this regulation. The numerical identification of months, as previously prescribed, is retained: months are numbered consecutively beginning with January 1942 (not 1943). Each quarter will be identified by the first month in the quarter. Thus, 16 will denote the second quarter of 1943, 19 will denote the third quarter, etc. However, if an allotment is made under the monthly system prescribed prior to amendment of this regulation, and bears the number of the second or third month in a quarter, it will nevertheless represent the entire quarter. Thus, 16, 17 or 18 will denote the second quarter of 1943, and 19, 20, or 21 will denote the third quarter of 1943. Orders placed by consumers with controlled materials producers (as distinct from allotments to consumers) are to be identified by month number instead of quarterly number, as provided in paragraph (s) (3).

(ii) Allotments to secondary consumers shall be identified by an abbreviated allotment number consisting only of a major program identification and the quarterly identification number. The major program identification shall consist of the Claimant Agency letter symbol followed by the first digit only of the program number (omitting the last three digits of the program number and the entire schedule number). For example, in the case of an allotment to a prime consumer, designated W-2345-687-16, the allotment to a secondary consumer will be simply W-2-16 denoting an allotment for major program number 2 of the War Department for delivery of controlled materials in the second quarter of 1943.

(d) *Bills of materials, applications for allotments and other information serving as basis for allotments.* (1) The basis for an allotment to a consumer shall be his actual requirements for controlled materials in connection with the fulfillment of an authorized production schedule. The production schedule shall be authorized as provided in paragraph (n) of this regulation. Information as to requirements shall be in the form of a bill of materials, an application for allotment and/or other information as provided below in this paragraph (d).

(2) A bill of materials shows the amounts of controlled materials required by a consumer and his secondary consumers, irrespective of time of delivery and inventory, for production of one unit or a specified number of units of his product. Bills of materials shall be prepared in the manner specified in "General Instructions on Bills of Materials," on forms CMP-1, CMP-2 and CMP-3 or on such other forms as may be prescribed. No consumer shall be required to furnish a bill of materials on any form which is not officially prescribed (as indicated by a Bureau of Budget number), but in cases where another form is in use which gives the same information as the official form, the Claimant Agency, Industry Division or consumer to whom a bill of materials is to be furnished may accept it on such other form.

(3) An application for allotment shows the aggregate amount of each form of controlled material required (after taking inventories into account to the extent required by CMP Regulation No. 2) by a consumer and his secondary consumers during each month of a quarter for his entire production of a specified product or class of products for the same customer, in the case of Class A products, or for all customers (unless otherwise directed) in the case of Class B products. Applications are to be made by manufacturers of Class A products on Form CMP-4A as issued by the appropriate Claimant Agency, and by manufacturers of Class B products on Form CMP-4B as issued by the War Production Board, or on such other forms as may be prescribed. Although allotments are to be made by quarters instead of months, applications for allotments shall show monthly requirements where required by the application forms, so that information as to over-all requirements may be compiled on a monthly basis by the Claimant Agencies and the Controlled Materials Divisions.

(4) A bill of materials or application for allotment shall *not* include controlled materials required for manufacture of Class B products which will be incorporated in the product with respect to which the bill of material or application is submitted, although information as to the number or value of such Class B products is to be given in bills of materials to the extent required by the instructions.

(5) Requirements for maintenance, repair or operating supplies shall *not* be included in bills of materials or applications for allotment. Requirements for such purposes are to be obtained separately as provided in CMP Regulation No. 5.

(6) Bills of materials and applications for allotments shall be filed with the Claimant Agency, Industry Division or other consumer by whom the allotment is to be made, as indicated in paragraph (c) of this regulation. Bills of materials shall be filed only when and as called for by such Claimant Agency, Industry Division or other consumer. Manufacturers of Class A products shall file applications for allotments only when and as called for by the Claimant Agency or other consumer for whom they make their products. Manufacturers of Class B products who will require controlled materials from controlled materials producers during the second quarter of 1943 (or whose secondary consumers will require the same) must file applications for allotments on Form CMP-4B not later than February 9, 1943, or by such other date as may be designated or approved by the appropriate Industry Division (or in special cases by a Claimant Agency). Those manufacturers of Class B products who will obtain their requirements of controlled materials for the second quarter of 1943 entirely from warehouses or retailers, and whose secondary consumers will do the same, need not file any applications for allotments. Procedures for obtaining controlled materials from warehouses or retailers, and limitations on the amount which may be obtained will be provided in CMP Regulation No. 4. Manufacturers of Class A products who sell them for use as maintenance, repair or operating supplies, or deliver them to distributors, shall obtain special allotments on Form CMP-4B as provided in paragraph (k-1) of this regulation.

(7) Each person making an allotment may require such other information in lieu of, or in addition to, a bill of materials or application for allotment as is required to enable him to make the allotment requested or to furnish any bill of materials, application for allotment or other information that may be required of him. If the consumer from whom such other information is requested is

of the opinion that compliance with such request would be unreasonably burdensome he may appeal for relief as provided in paragraph (z) of this regulation.

(8) Any consumer making an allotment may waive the furnishing of a bill of materials or application for allotment, or both, if he has other information as to actual requirements of his secondary consumers (taking into account the inventory restrictions of CMP Regulation No. 2) which is sufficiently accurate and detailed to enable him to make the allotment and to furnish any bill of materials, application for allotment or other information that may be required of him.

(e) *Responsibility for statements of requirements, including those of secondary consumers; duty to correct overstatements.* (1) The furnishing of any bill of materials, application for allotment or other information as to requirements by a consumer, shall constitute a representation by him to the person to whom it is furnished, to the appropriate Claimant Agency and to the War Production Board, that the statements contained therein are complete and accurate, to the best of his knowledge and belief, not only with respect to such consumer's own requirements but also with respect to those of his secondary consumers.

(2) Any person who ascertains that he has substantially overstated (whether by inadvertence or otherwise) his requirements, or those of his secondary consumers, for any form of controlled material, shall immediately report such error to the person to whom the statement of requirements was furnished. If he has already received an allotment based on such overstatement, he shall immediately cancel or reduce the same (or an equivalent amount of other allotments received for the same authorized production schedule) to the extent of such excess, and report such cancellation or reduction to the person from whom the allotment was received; or, if he is unable for any reason to make such cancellation, he shall immediately make a full report to the person from whom he received the allotment, and shall send a copy of such report to the appropriate Claimant Agency or Industry Division, if the allotment was received from another consumer.

(3) If any consumer receives any statement of requirements which he knows or has reason to believe to be substantially excessive (whether by inadvertence or otherwise), he shall withhold any allotment based thereon (either entirely or in an amount sufficient to correct the maximum excess) until satisfied that the statement is not excessive or that it has been appropriately modified. If unable to obtain sufficient information or an appropriate modification, he shall promptly report the matter to the appropriate Claimant Agency or Industry Division. Failure to withhold allotments or to make such report shall be deemed participation in the offense.

(4) If, after making any allotment, a consumer ascertains or has reason to believe that the allotment was substantially in excess of actual requirements, he shall either (i) correct the excess by cancelling or reducing the allotment or other allotments made by him to the same consumer, or (ii) report the matter promptly to the appropriate Claimant Agency or Industry Division. Failure to make such correction or report shall be deemed participation in the offense.

(5) An inadvertent overstatement of requirements shall be deemed substantially excessive for purposes of subparagraphs (2), (3), and (4) of this paragraph (e) if, but only if, it exceeds actual requirements by either (i) one-third or more of actual requirements or (ii) the minimum mill quantity specified in Schedule IV attached, whichever is less.

(f) *Forms in which controlled materials are allotted.* Each allotment, whether made by a Claimant Agency, an Industry Division or a prime or a secondary consumer, shall specify the form of the controlled material allotted. Allotments of steel shall be in terms of (1) carbon steel (including wrought iron) and (2) alloy steel, without further breakdown. Allotments of copper and aluminum shall be broken down as indicated in Schedule I. A consumer may make allotments only in the same forms of controlled materials in which he has received his allotment.

(g) *Allotments by consumers.* (1) No consumer shall make any allotment in an amount which exceeds the related allotment received by him, after deducting all other allotments made by him and all orders for controlled materials placed by him pursuant to his related allotment.

(2) No consumer shall make any allotment in excess of the amount required, to the best of his knowledge and belief, to fulfill the related authorized production schedule of the secondary consumer to whom the allotment is made (including the schedules of any secondary consumers supplying the latter).

(3) No consumer shall make any allotment for the production of Class B products and no person shall accept any allotment from a consumer for the production of Class B products.

(4) No consumer who has received his allotment for an authorized production schedule shall place any delivery order (other than small orders placed pursuant to paragraph (l) of this regulation) for any Class A product required to fulfill said schedule, unless concurrently therewith or prior thereto, he makes an allotment to the person with whom the order is placed, in the amount required by such person to fill said order (taking such person's inventory into account to the extent required by CMP Regulation No. 2); *Provided, however,* That if he purchases a Class A product from a distributor under the conditions specified in paragraph (k–1) of this regulation, he need make no allotment but must charge his own allotment as provided in paragraph (v) of this regulation.

(h) *Methods of allotment.* (1) A consumer may make an allotment to his secondary consumer by either:

(i) Executing and returning one of the copies of the application (Form CMP–4A, or such other form as may be prescribed) furnished to the consumer by his secondary consumer or, in the event an application has been waived, by indicating on the prescribed application form the controlled materials allotted and executing and delivering such form to the secondary consumer;

(ii) Placing on or affixing to his delivery order for one or more Class A products the short form of allotment (Form CMP–5) set out in Schedule II attached hereto, subject to the accompanying instructions; or

(iii) Telegraphing the information required under subdivision (i) or (ii) above and confirming the same with the appropriate written form.

(2) Every consumer shall place on each allotment made by him the allotment number which is on the related allotment received by him, except that if the full allotment number described in subdivision (i) of paragraph (c) (6) of this regulation is on the allotment received by him, he need only place on related allotments made by him the abbreviated allotment number described in subdivision (ii) of paragraph (c) (6). If a consumer places a delivery order for which he has made an allotment by separate instrument, he shall place the appropriate number on said order.

(i) *Method of cancelling or reducing allotments.* A person who has made an allotment may cancel or reduce the same by notice in writing to the person to whom it was made. A person who has received an allotment may cancel or reduce the same by making an appropriate notation thereon and notifying the person from whom he received it. In either case, if an allotment received by a person is cancelled he must cancel all allotments which he has made, and all authorized controlled material orders which he has placed, on the basis of the allotment; and, if an allotment received by a person is reduced, he must cancel or reduce allotments which he has made, or authorized controlled material orders which he has placed, to the extent that the same exceed his allotment as reduced. If such cancellation or reduction is not practicable, he may make equivalent cancellations or reductions with respect to other allotments received by him for the same production schedule. If he deems such course of action impracticable, he shall immediately report to the appropriate Claimant Agency or Industry Division for instructions.

(j) *Assignment of allotments.* No consumer shall transfer or assign any allotment in any way unless:

(1) Delivery orders placed with him, in connection with which the allotment was made to him, have been trans-

ferred or assigned to another consumer;

(2) The authorized production schedules of the respective consumers have been duly adjusted; and

(3) The transfer or assignment is approved in writing by the person who made the allotment.

(k) *Grouping of allotment and authorized production schedules by major programs.* A consumer operating under several authorized production schedules may combine in a single allotment to a secondary consumer requirements for any number of different production schedules which are identified by the same major program number as provided in paragraph (c) (6) (ii), and he may authorize a single production schedule for the secondary consumer in connection with such allotment. If the secondary consumer has filed separate applications, and the consumer making the allotment acts on such applications separately, the secondary consumer may nevertheless treat such allotments and authorized production schedules bearing the same major program number as a single allotment and a single authorized production schedule.

(k–1) *Special provisions regarding Class A products sold to distributors or as maintenance, repair or operating supplies.* (1) A distributor of Class A products who receives physical delivery thereof may, unless otherwise specifically ordered, buy and sell the same without making or receiving allotments. A manufacturer of Class A products selling them directly or indirectly to such distributors may obtain an allotment for such manufacture from the appropriate Industry Division pursuant to application on Form CMP–4B in the same manner as if they were Class B products. If physical delivery is made directly by the manufacturer to a distributor's customer, the latter (unless he is also a distributor) shall make an allotment directly to the manufacturer in the same manner and subject to the same conditions as if the distributor had no part in the transaction.

(2) A manufacturer of Class A products who sells them for use as maintenance, repair or operating supplies (except items directly purchased and programmed by a Claimant Agency) shall, unless otherwise specifically ordered, obtain allotments for such manufacture in the same manner as provided in subparagraph (1) of this paragraph (k–1) for delivery to distributors. Applications pursuant to said subparagraph (1) and this subparagraph (2) may be combined in a single application on Form CMP–4B.

(3) A manufacturer who also sells purchased Class A products to round out his line, which do not represent more than 10% of his total sales, shall be deemed the manufacturer of such products and not a distributor for purposes of this paragraph (k–1).

(l) *Placing of orders for Class A products requiring small quantities of controlled material, without making allotments.* (1) A person requiring any Class A product in a quantity constituting a "small order," as defined in subparagraph (2) of this paragraph (l), and who is entitled to obtain such product by using an allotment number, may, in lieu of making an allotment, place on his order the applicable allotment number followed by the symbol SO; *Provided, however,* That no person shall subdivide his requirements for Class A products into small orders for the purpose of coming within this provision.

(2) As used in this paragraph (l), "small order" means a delivery order for a Class A product placed with the manufacturer thereof by a consumer, where the aggregate amounts of controlled material required to fill such order, together with all delivery orders for the same Class A product placed by the same consumer with the same manufacturer calling for delivery during the same month, do not exceed the following:

Carbon steel (including wrought iron)	1 ton
Alloy steel	400 lbs.
Copper and copper base alloys	100 lbs.
Aluminum	20 lbs.

(3) A manufacturer of Class A products who receives small orders may obtain his requirements of controlled materials to fill the same by placing authorized controlled material orders (as provided in paragraph (s) of this regulation and in CMP Regulation No. 4 regarding warehouses and distributors of controlled materials) in the same manner as if he had received an allotment therefor, except that, in lieu of an allotment number, he shall use the symbol SO. Use of such symbol shall constitute a representation, subject to the criminal penalties of section 35 (A) of the U. S. Criminal Code, that the controlled materials ordered are required for the production of Class A products which will be delivered on small orders, or to replace in inventory Class A products so delivered. If it is impracticable to keep exact accounts of the amounts of controlled material required for small orders, a reasonable estimate may be made.

(4) No manufacturer of Class A products receiving a small order for such products shall be required to furnish his customer with a bill of materials, application for allotment or equivalent information with respect thereto, other than a statement, if requested, that the controlled materials required come within the limits of a small order.

(m) *Relationship between allotments and authorized production schedules.* Every allotment made by a consumer must include or be accompanied by authorization of a production schedule with respect to the products to be supplied to him, and no consumer shall authorize a production schedule for a secondary consumer unless he concurrently allots the controlled materials required to fulfill the schedule; provided, however, that this paragraph shall not apply to any delivery order bearing a symbol (such as a small order bearing the symbol SO) which may be placed without making an allotment as expressly permitted by any regulation or order of the War Production Board.

(n) *Manner of authorizing production schedules.* (1) A production schedule for each prime consumer producing a Class A product shall be authorized by the appropriate Claimant Agency on Form CMP–4A, or such other form as may be prescribed. A Claimant Agency may, in particular cases, authorize a production schedule through an Industry Division.

(2) A production schedule for each secondary consumer producing a Class A product shall be authorized by the consumer for whom such Class A product is to be produced, on the form on which the related allotment is made; provided, however, that the delivery date specified on a delivery order shall constitute an authorization of the minimum production schedule required to permit delivery on such date.

(3) A production schedule for each consumer producing a Class B product shall be authorized by the appropriate Industry Division (or in special cases by a Claimant Agency) on Form CMP–4B, or such other form as may be prescribed.

(4) A consumer receiving allotments from several persons shall obtain separate authorized production schedules from each.

(5) Prior to authorizing a production schedule, a Claimant Agency, Industry Division or consumer may furnish a tentative production schedule to be used as a basis in submitting requirements, but such action shall not constitute authorization of a schedule.

(o) *Compliance with authorized production schedules.* (1) Each consumer receiving an authorized production schedule shall fulfill the same unless prevented by circumstances beyond his control, except that a manufacturer of Class B products need not produce more than required to fill orders bearing preference ratings.

(2) No consumer who has received an authorized production schedule shall exceed such schedule in any month, except that (i) a deficiency in meeting an authorized production schedule during any month may be made up in any subsequent month or months, (ii) production authorized for any month may be completed at any time after the 15th of the preceding month and, (iii) where a delivery order calls for deliveries, in successive months, of Class A products in quantities which are less than the minimum practicable production quantity, and compliance with monthly production schedules would result in substantial interruption of production and consequent interference with production to fill other delivery orders, the consumer may produce (and his customer may order) in the first month the minimum practicable quantity which may be made without such interference. A person shall be deemed to exceed an authorized production schedule if his completion of finished products exceeds the limits authorized, or if his rate of fabricating, assembling, or otherwise processing, or acquiring raw materials or parts, ex-

ceeds the practicable working minimum required to meet the authorized production schedule.

(3) In case a Claimant Agency authorizes a production schedule permitting production of a Class A product in a quantity different from the quantity called for in the related contract between the Claimant Agency and the prime consumer, the lesser of the two quantities shall govern, but the appropriate officer of the Claimant Agency should be promptly notified.

(p) *Protection of production schedules for Class A products.* (1) No person shall accept an allotment for the manufacture of a Class A product, regardless of the accompanying preference rating, if he does not expect to be able to fulfill the related authorized production schedule, subject to unexpected contingencies and to any period of grace which may be specified by the person who offers the allotment and the authorized schedule.

(2) No person who has accepted an allotment and an authorized production schedule for a Class A product shall thereafter accept any delivery order (except an order rated AAA) for any Class A, Class B or other product manufactured by him, regardless of the accompanying preference rating or allotment number or symbol, unless he expects that, subject to unexpected contingencies, he can fill the order without interfering with the fulfillment of such previously accepted authorized production schedule.

(3) A person making Class B products to fill unrated or low rated orders must accept higher rated orders to the extent, and subject to the exceptions, provided in Priorities Regulation No. 1, unless he is also making a Class A product on an authorized production schedule, with which such higher rated orders would interfere contrary to the provisions of subparagraph (2) above.

(4) If a person whose allotment or delivery order is rejected pursuant to this paragraph (p) is unable to find another supplier who is in a position to accept it, he should report the facts to the appropriate Claimant Agency or Industry Division. The War Production Board (or the appropriate Claimant Agency if only orders bearing its symbol are involved, or if all Claimant Agencies concerned have stipulated a single Claimant Agency for the purpose) may make exceptions to the provisions of this paragraph (p) where necessary to assure the filling of orders bearing high preference ratings.

(5) The provisions of Priorities Regulation No. 1 with respect to the acceptance and filling of rated orders and the sequence of deliveries shall remain applicable except as otherwise specifically provided in this regulation, CMP Regulation No. 3, or any other applicable regulation or order of the War Production Board.

(q) *Reconciliation of conflicting schedules.* In any case where, for any reason, a manufacturer of Class A or Class B products is unable to fulfill conflicting authorized production schedules which he has accepted from different persons, he shall immediately report to the appropriate Industry Division for directions, except that such report shall be made to a Claimant Agency if all conflicting schedules bear its symbol or if all Claimant Agencies whose schedules conflict have stipulated a single Claimant Agency for such purposes.

(r) *Alternative procedure for simultaneous allotments.* A prime or secondary consumer who has several secondary consumers in different degrees of remoteness and finds it impracticable to determine the exact allotments to be made to each of his immediate secondary consumers, for their needs and those of their secondary consumers, may, at his option, make simultaneous direct allotments to each secondary consumer, of all degrees of remoteness, by adopting the following procedure:

(1) The consumer who is to make the allotment (hereafter in this paragraph (r) called the originating consumer) shall maintain a complete list of all secondary consumers making Class A products for incorporation in his product. He shall keep this list current at all times by requiring each of his immediate secondary consumers to report promptly to him any change with respect to the source of each secondary consumer's Class A purchased products.

(2) Immediately upon receiving an allotment, the originating consumer shall notify each secondary consumer on the list (either directly or through intervening secondary consumers) of the authorized schedule for which the allotment has been made to him. Such notice shall *not* include an allotment number. It shall identify the product to be delivered by the secondary consumer to whom the notice is sent and state the quantity to be delivered and the time when delivery is required.

(3) Promptly upon receipt of such preliminary notice, each secondary consumer shall report to the originating consumer directly (not through intervening secondary consumers), the amount of each form of controlled material required by him each month in order to make the deliveries indicated. Each such secondary consumer shall include only his own requirements of controlled materials, *not* those of his secondary consumers. No form is prescribed for such statement.

(4) The originating consumer shall then determine the total requirements of all his secondary consumers under the schedule, checking the list to make certain that a preliminary statement of requirements has been received from each secondary consumer.

(5) If such summary shows that the aggregate requirements of the originating consumer and all his secondary consumers for each form of controlled material do not exceed the allotment made to him for the schedule he may then allot directly to each secondary consumer on the list the amount indicated in the preliminary statement of requirements. No form is prescribed for such allotment, and it may be made by telegram, but it must include the allotment number required by paragraph (c) (6) (ii) of this regulation and a statement substantially as follows: "This allotment is made in accordance with the alternative procedure for simultaneous allotments provided in paragraph (r) of CMP Regulation No. 1." Such allotment shall constitute authorization of a production schedule for the secondary consumer in the amount specified in the notice sent to him pursuant to subparagraph (2) of this paragraph (r). If aggregate requirements do not exceed his allotment, the originating consumer shall be under no obligation to check the accuracy of the preliminary statements received from his secondary consumers before making allotments to them, but otherwise he and his secondary consumers shall remain subject to the provisions of paragraph (e) of this regulation regarding responsibility for statements of requirements.

(6) If the summary shows that the aggregate requirements of the originating consumer and all his secondary consumers exceed the allotment made to him with respect to any form of controlled material, the originating consumer shall not make any allotment or place any authorized controlled material order for the production schedule covered by his allotment until and unless:

(i) Requirements have been revised by himself or by one or more of his secondary consumers to the extent necessary to eliminate such excess, or

(ii) With the express permission of the appropriate Claimant Agency or Industry Division after he has reported the facts to it, he withholds an amount sufficient to cover all adjustments which must be made in the requirements of his secondary consumers in order to bring them within his allotment.

(s) *Placement of orders with controlled materials producers.* (1) A delivery order placed with a controlled materials producer for controlled material shall be deemed an authorized controlled material order if, but only if, it complies with the provisions of this paragraph (s) or is specifically designated as an authorized controlled material order by any regulation or order of the War Production Board.

(2) A consumer who has received an allotment may place an authorized controlled material order with any controlled materials producer, unless otherwise specifically directed. An allotment to a prime consumer may include a direction to place delivery orders for controlled materials with one or more designated controlled materials producers. In such event the consumer shall use the allotment only to obtain controlled materials from the designated controlled materials producer or producers or to make allotments to secondary consumers, designating therein only producers named in the allotment received by him. Except as required by the allotment

which he has received, no consumer shall impose any such restriction in any allotment made by him.

(3) Every authorized controlled material order must be identified by an endorsement including an allotment number or symbol. Unless another form of endorsement is specifically prescribed by an applicable order or regulation of the War Production Board, such endorsement shall be in substantially the following form, signed manually or as provided in Priorities Regulation No. 7:

The undersigned certifies, subject to the criminal penalties of Section 35 (A) of the U. S. Criminal Code, that he has received an allotment or allotments of controlled materials (or delivery orders not requiring allotments) authorizing him, pursuant to CMP Regulation No. 1, to place an authorized controlled material order in the amount herein indicated for delivery in the month specified, and that he is authorized to use the allotment number _____.

The allotment number included in such endorsement shall be the abbreviated allotment number prescribed by paragraph (c) (6) (ii) of this regulation, including, as the last two digits, the number of the month in which delivery is requested as distinct from the number identifying the quarter for which the allotment received is valid. For example, if a consumer receives an allotment bearing the number W–2–16 and places an authorized controlled material order calling for delivery in May 1943, the order shall bear the number W–2–17. The endorsement on an authorized controlled material order placed pursuant to paragraph (l) (3) of this regulation, pertaining to small orders, shall include the symbol SO followed by the number of the month in which delivery is requested, and need not include any of the allotment numbers appearing on the small orders received by the person placing the authorized controlled material order. Orders for controlled materials required for maintenance, repair and operating supplies shall, in lieu of the above endorsement, bear the endorsement prescribed by CMP Regulation No. 5, which includes the symbol MRO without additional digits specifying the month of delivery.

(4) A delivery order for controlled material must be in sufficient detail to permit entry on mill schedules and must be received by the controlled materials producer at such time in advance as is specified in Schedule III attached, or at such later time as the controlled materials producer may find it practicable to accept the same, provided that no controlled materials producer shall discriminate between customers in rejecting or accepting late orders.

(5) Controlled materials required for fulfillment of a production schedule which has not yet been authorized may be ordered for delivery before July 1, 1943, under applicable priorities regulations and orders (as the same may be modified from time to time), without placing an authorized controlled material order. Authorized controlled material orders shall, however, take precedence over other orders to the extent provided in CMP Regulation No. 3 regarding preference ratings.

(6) A delivery order placed by a consumer before he has received his allotment and authorized production schedule may be converted into an authorized controlled material order either by furnishing a copy of the order conforming to the requirements of this paragraph (s) or by furnishing in writing the requisite information clearly identifying the order and bearing the certification required by subparagraph (3) of this paragraph (s).

(s–1) *General restriction on placement of authorized controlled material orders.* In order to prevent congestion of orders calling for delivery of controlled materials in the early portions of each quarter, no consumer shall (unless previously authorized in writing by the appropriate Controlled Materials Division) place authorized controlled material orders (with controlled materials producers or other suppliers) requesting delivery of the same controlled material either (i) in the first month of any quarter in an amount exceeding one-third of the aggregate amount of such controlled material for which he has received allotments for the quarter as of the time of placing his order, or (ii) in the first two months of any quarter in an amount exceeding two-thirds of such aggregate; *Provided,* That, in the case of aluminum, during the second quarter of 1943, the limitations shall be 30% for the first month and 63% for the first two months. No consumer shall, however, be required by the provisions of this paragraph (s–1) to reduce a delivery order below the minimum mill quantity specified in Schedule IV attached. In no event shall a consumer request delivery in a greater amount or on an earlier date than required to fill his authorized production schedule, or in an amount so large or on a date so early that receipt of such amount on the requested date would result in his having an inventory of controlled materials in excess of the limitations prescribed by CMP Regulation No. 2 or by any other applicable regulation or order of the War Production Board.

(t) *Controlled materials producers*— (1) Each controlled materials producer shall comply with such production directives as may be issued from time to time by the appropriate Controlled Materials Division.

(2) A controlled materials producer shall accept authorized controlled material orders in the order in which received by him except:

(i) He may reject orders for less than the minimum mill quantities specified in Schedule IV attached, but shall not discriminate between customers in rejecting or accepting such orders.

(ii) In any case where he is of the opinion that the filling of the order would substantially reduce his over-all production owing to the large or small size of the order, unusual specifications, or otherwise, he shall apply to the appropriate Controlled Materials Division which may direct that the order be placed with another supplier or take other appropriate action.

(iii) He shall refuse any order for shipment of any product in any month if such order, together with all his authorized controlled material orders already on hand for delivery during that month and any orders carried over from the preceding month, plus such amounts as he may be directed by the Controlled Materials Division to deliver or set aside for delivery to warehouses or nonintegrated mills or otherwise, total 110% of the production of such product specified in his production directive, or, if no production directive is currently in effect with respect to such product, total 105% of his expected production. As soon as such limits of 110% and 105% respectively have been reached, each controlled materials producer shall promptly notify the appropriate Controlled Materials Division in writing.

(iv) He shall reject orders to the extent required by specific direction of the Controlled Materials Division.

(3) No controlled materials producer shall, after March 31, 1943, make any delivery of controlled material except:

(i) A delivery made to fill an authorized controlled material order;

(ii) A delivery which is completed before July 1, 1943, and which is made in compliance with applicable priorities regulations and orders;

(iii) A delivery made pursuant to a specific direction of the Director of the Controlled Materials Division.

A controlled materials producer's use of controlled material produced by him (except use in processing which does not convert the same into any form or shape other than one specified with respect to such controlled material on Schedule I) shall be deemed a delivery for the purposes of this paragraph (t).

(4) A controlled materials producer shall make delivery on each authorized controlled material order as close to the requested delivery date as is practicable in view of the need for maximum production and compliance with production schedules. If it is not practicable to make delivery during the month requested, delivery may be made:

(i) After the 15th of the preceding month, provided such delivery does not interfere with delivery on authorized controlled material orders designating shipment in such preceding month or earlier months, and provided production to meet such delivery would not violate any production directive in effect; or

(ii) As early as practicable in the month following the month requested: *Provided that,* In such case, the controlled materials producer shall promptly notify the customer of such delay. If such delay will interfere with the customer's authorized production schedule, the customer should immediately apply to the appropriate Controlled Materials Division for relief.

(5) If, after accepting an authorized controlled material order, the producer cannot make delivery before the end of the month following the month in which delivery is requested, he shall promptly

notify the appropriate Controlled Materials Division in writing stating the allotment number, the name of the customer and the material covered by the order, but he shall not thereafter fill the order unless specifically directed to do so.

(6) All directions to controlled materials producers affecting production and distribution of controlled materials shall be issued by and through the Controlled Materials Divisions.

(7) If the controlled material delivered pursuant to an authorized controlled material order varies from the exact amount specified in the authorized controlled material order, the making and acceptance of such delivery shall not be deemed a violation of this regulation or any other CMP Regulation by the controlled materials producer or his customer, provided such variation does not exceed the commercially recognized shipping tolerance, or allowance for excess or shortage.

(8) An authorized controlled material order shall not constitute an allotment of controlled material to the controlled materials producer with whom it is placed. If such producer requires delivery after March 31, 1943 of controlled materials from other controlled materials producers, to be processed by him and sold to his customers in another form or shape constituting a controlled material, such delivery may be made or accepted only pursuant to a specific direction as provided in subparagraph (3) (iii) of this paragraph (t).

(u) *Restrictions on use of allotments or materials or products obtained by allotments.* (1) No consumer shall use an allotment, or any controlled material or Class A product obtained pursuant to an allotment for any purpose except:

(i) To fulfill the authorized production schedule for which the allotment was received or to fulfill any other authorized production schedule of the same consumer, within the same plant or operating unit, which schedule is identified by the same Claimant Agency letter symbol.

(ii) For any purpose specifically authorized or directed by the Director General for Operations, or by the appropriate Claimant Agency where only such Agency's schedules are affected or where a single Claimant Agency has been stipulated for the purpose by all Claimant Agencies whose schedules are affected; or

(iii) To restore to a practicable working minimum his inventory of such material or product if the same has been depleted in fulfilling such production schedule or such purpose, subject, however, to the inventory limitations of CMP Regulation No. 2; or

(iv) As permitted or required by Priorities Regulation No. 13, pertaining to special sales, or any other applicable regulation of the War Production Board.

(2) The provisions of subparagraph (1) of this paragraph (u) shall not require physical segregation of inventories provided the restrictions applicable to any specific lot of material or product are observed with respect to an equivalent amount of the same material or product. A consumer who is operating under several authorized production schedules need not maintain separate records of the production obtained from the allotment for each schedule provided that his records show that his use of material for his respective schedules is substantially proportionate to the amounts of material allotted for each, and that his aggregate production of any product does not exceed his aggregate authorized production schedules for that product.

(v) *Adjustments on account of controlled materials or Class A products obtained without use of allotments.* Each consumer shall promptly reduce, in the manner provided in paragraph (i) of this regulation, any allotment received by him, to the extent that, either before or after receiving the allotment, he fills a substantial portion of any of his requirements covered by the allotment through the acquisition of controlled materials or Class A products in any other manner than by use of the allotment, including without limitation:

(1) Transactions covered by preference ratings (including preference ratings assigned on PRP Certificates or otherwise);

(2) Transactions not affected by preference ratings;

(3) Purchases from warehouses or retailers pursuant to CMP Regulation No. 4 or otherwise;

(4) Purchases pursuant to Priorities Regulation No. 13 or otherwise, from persons not regularly engaged in the business of selling the material or product;

(5) Purchases on small orders pursuant to paragraph (l) of this regulation;

(6) Purchases of second-hand materials or products.

For purposes of this paragraph (v), a "substantial portion" of requirements covered by an allotment shall mean an amount of controlled materials which is either in excess of 25% of the material allotted or is greater than the minimum mill quantity of such material specified in Schedule IV attached.

(w) *Adjustments for changes in requirements.* If a consumer's requirements for controlled materials or Class A products are increased after he receives his allotment, he should apply for an additional allotment from the person who made the same. If his requirements decrease, for any reason, he shall promptly cancel or reduce his allotment in the manner provided in paragraph (i) of this regulation.

(x) *Other War Production Board regulations and orders.* Nothing in this regulation (or any other CMP regulation) shall be construed to relieve any person from complying with any applicable priorities regulation or any order of the War Production Board (including orders in the "E," "L," "M" and "P" series). In case compliance by any person with the provisions of any such regulation or order would prevent fulfillment of an authorized production schedule, he should immediately report the matter to the appropriate Industry Division, and to the Claimant Agency whose schedule is affected. The Director General for Operations will thereupon take such action as is deemed appropriate, but unless and until otherwise expressly authorized or directed by the Director General for Operations, such person shall comply with the provisions of such regulation or order.

(y) *Records and reports.* (1) Each consumer making or receiving any allotment of controlled materials shall maintain at his regular place of business accurate records of all allotments received, of procurement pursuant to all allotments, and of the subdivision of all allotments among his direct secondary consumers. Such records shall be kept separately by abbreviated allotment numbers, as provided in paragraph (c) (6) (ii) of this regulation, and shall include separate entries under each number for each customer, Claimant Agency or Industry Division from whom allotments are received under such number.

(2) Each controlled materials producer shall report to the appropriate Controlled Materials Division, on the forms and for the periods prescribed, such information on production, consumption and distribution of controlled materials as may be prescribed by the appropriate Controlled Materials Division.

(3) Each prime or secondary consumer and each controlled materials producer shall retain for two years at his regular place of business all documents on which he relies as entitling him to make or receive an allotment or to deliver or accept delivery of controlled materials or Class A products, segregated and available for inspection by representatives of the War Production Board, or Claimant Agencies, or filed in such manner that they can be readily segregated and made available for such inspection.

(z) *Appeals and applications for relief.* (1) Any person who is subject to any requirement of any regulation, direction, order or other action under the Controlled Materials Plan, may appeal for relief by filing a letter in triplicate with the appropriate authority specified below in this paragraph (z), setting forth the pertinent facts and the reasons why such person considers that he is entitled to relief.

(2) Except as provided in subparagraphs (3) and (4) of this paragraph (z) or as otherwise specifically directed, an appeal by a producer of Class A products should be filed with the appropriate Claimant Agency, and an appeal by a producer of Class B products should be filed with the appropriate Industry Division, unless the matter affects only production schedules of a single Claimant Agency or where a single Claimant Agency has been stipulated for the purpose by all Claimant Agencies whose schedules are affected, in which case the appeal should be filed with such Claimant Agency.

(3) An appeal concerning the operations of a controlled materials producer (whether filed by such producer, by a consumer, or by a Claimant Agency) shall be filed with the appropriate Controlled Materials Division.

(4) A producer of Class B products may apply for permission to be treated as a producer of Class A products. A producer of Class A products making a large variety of items which are sold to many

customers and whose allotments originate from several Claimant Agencies, may make application to be treated as a producer of Class B products, but such permission will not be granted with reference to component parts or sub-assemblies, unless the necessary adjustments in bills of materials which include such component parts or sub-assemblies can be made without difficulty. Application for reclassification should be filed with the CMP Division, War Production Board, Washington, D. C., and may be filed either directly by the producer or by a Claimant Agency on his behalf.

(5) In case of any disagreement between any persons as to the interpretation of any provisions of this regulation or any other regulation, direction, or order under the Controlled Materials Plan, the matter should be referred to the Inquiry and Service Branch, CMP Division, War Production Board, Washington, D. C.

(aa) *Penalties.* Any person who willfully purports to make any allotment of controlled materials or to place authorized controlled material orders in excess of the amount allotted to him, or violates any other provision of this regulation, or any other regulation, direction or order under the Controlled Materials Plan, or who knowingly or willfully makes any false or fraudulent statement or representation with respect to requirements for controlled materials or in any other matter under the jurisdiction of any agency of the United States under the Controlled Materials Plan, is guilty of a crime and, upon conviction, may be punished by a fine up to $10,000 or by imprisonment or both. In addition, any such person may be prohibited from making or obtaining further deliveries or allotments of controlled material or from making or obtaining any further deliveries of, or from processing or using, any material under priorities control, and may be deprived of priorities assistance.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

SCHEDULE I

STEEL

Carbon Steel

Forms and shapes.
- Bars, cold finished.
- Bars, hot rolled.
- Ingots, billets, blooms, slabs, tube rounds, skelp and sheet and tin bar.
- Pipe.
- Plates.
- Rails and track accessories.
- Sheets and strip.
- Steel castings.
- Structural shapes and piling.
- Tin plate, terne plate, and tin mill black plate.
- Tubing.
- Wheels, tires and axles.
- Wire rods, wire and wire products.

Alloy Steel

Forms and shapes.
- Bars, cold finished.
- Bars, hot rolled.
- Ingots, billets, blooms, slabs, tube rounds, sheet bar.
- Pipe.

Forms and shapes—Continued.
- Plates and structural shapes.
- Sheets and strip.
- Steel castings.
- Tubing.
- Wheels, tires and axles.
- Wire rods, wire, and wire products.

NOTE: Steel in any of the above forms and shapes constitute controlled materials, but allotments of steel are made in terms of (1) carbon steel (including wrought iron) and (2) alloy steel, without further breakdown.

COPPER

Brass Mill Copper Base Alloy Products

Forms and shapes.
- Ammunition cups, discs and slugs.
- Sheet and strip (other than cups and discs).
- Rods, bars, and wire (including extruded shapes not including slugs).
- Tubing and pipe.

Brass Mill Copper Products

Forms and shapes.
- Plate, sheets and strip.
- Rods, bars and extruded shapes (excluding wire bars and ingot bars).
- Tube and pipe.

Wire Mill Copper Products

Forms and shapes.
- Wire and cable (including copper content of insulated wire and cable).

Foundry Copper and Copper Base Alloy Products

Forms and shapes.
- Castings.

NOTE: Allotments of copper are made in the forms and shapes specified above.

ALUMINUM

Forms and shapes.
- Rod, bar, wire and cable.
- Rivets.
- Forgings, pressings and impact extrusions.
- Castings.
- Shapes, rolled or extruded.
- Sheet, strip, plate and foil.
- Tubing.
- Ingot and powder.

NOTE: Allotments of aluminum are made in the forms and shapes specified above.

* * * * *

Specific information with respect to coding and definitions may be found in "General Instructions on Bills of Materials."

SCHEDULE II.—SHORT FORM OF ALLOTMENT

Allotment number	Controlled Material Products allotted		

Above allotments are made for use in filling this delivery order in compliance with CMP Regulation No. 1

INSTRUCTIONS FOR USE OF SHORT FORM OF ALLOTMENT—Form CMP-5

The above short form of allotment may be used by any consumer for the purpose of making an allotment to a secondary consumer producing Class A products for him. The short form of allotment must be either placed on or physically attached to the delivery order calling for delivery of the Class A products. If it is attached the delivery order number or other identification must be indicated on the form.

The form must be followed by the signature of an authorized official of the consumer making the allotment, but need not be separately signed if it is placed on the delivery order in such a position that the signature of the delivery order by such an authorized official clearly applies to the allotment as well as to the order itself.

The size of the form may be varied, but all information called for by the form must be supplied and the general arrangement and wording of the form must be followed.

Under the heading "Controlled Material Products Allotted" the person making the allotment must designate the forms which are allotted. These must be shown in the breakdown prescribed in Schedule I of CMP Regulation No. 1, and must be within the allotments received by such consumer for the same forms. Additional columns may be added depending on the number of forms of controlled material allotted. A sample form follows:

Allotment number	Controlled Material Products allotted			
	Carbon steel	Copper base alloy tubing and pipe	Copper plate sheets and strip	Aluminum castings
	Tons	*Lbs.*	*Lbs.*	*Lbs.*
N-1-16.....	100	10,000	8,000	100

Above allotments are made for use in filling this delivery order in compliance with CMP Regulation No. 1.

SCHEDULE III.—*Time for Placing Authorized Controlled Material Orders*

[NOTE: The item "Copper" was amended Feb. 27, 1943]

NOTE: Delivery orders may be placed in advance of receiving allotments, and converted into authorized controlled material orders on receipt of allotments, as provided in paragraph (s) (6) of CMP Regulation No. 1.

STEEL

Product	*Number of days in advance of first day of month in which shipment is required*
Alloy steel (including stainless steel):	
Hot rolled bars and semi-finished	75
Bars—cold finished	105
Sheet and strip—hot and cold rolled	105
Plates—hot rolled	75
Tool steel:	
Hot rolled products	90
Cold finished products	120
Cold finished bars:	
Carbon bars—standard sizes, grades and sections	70
Carbon bars—furnace treated at hot mills or special section, odd sizes or special grades	100
Alloy bars	105
Plates and shapes:	
Carbon steel plates	30
Carbon steel structural shapes	45
Alloy steel plates and shapes	75
Pipe	30
Sheet and strip:	
Sheet—hot rolled—16-gauge and heavier	30
Sheet—hot rolled—17-gauge and lighter	45
Sheet—cold rolled—galvanized—long terne	45
Strip—hot rolled (low carbon)	30
Strip—cold rolled (low carbon)	45

SCHEDULE III.—*Time for Placing Authorized Controlled Material Orders*—Continued

Product	Number of days in advance of first day of month in which shipment is required
Sheet and strip—Continued.	
High carbon cold rolled strip (over .25 carbon) and other long processed special carbon hot rolled and cold rolled sheets and hot and cold rolled strip (including electrical grade)	60
Hot rolled carbon bars and semi-finished:	
Except for carbon bars heat treated and annealed	30
Carbon bars heat treated and annealed	60
Tin mill products	30
Tubing:	
Carbon steel—hot finished	30
Carbon steel—cold drawn:	
1½" and larger	45
Under 1½"	75
Alloy steel—hot finished	90
Alloy steel—cold drawn:	
1½" and larger	110
Under 1½"	120
Steel castings:	
Providing patterns are available:	
Weight per casting:	
500 pounds and under	30
Over 500 pounds to 5000 pounds	45
Over 5000 pounds to 30,000 pounds	60
Over 30,000 pounds	75
Wire and wire products:	
Hot rolled wire rods	30
Merchant trade products	30
Manufacturing wires:	
Low carbon .0475" and heavier	45
Low carbon under .0475"	60
High carbon (0.40 carbon and higher) .0475" and heavier	45
Under .0475" to .021"	60
Under .021"	75
Wire rope and strand:	
⅜" dia. and over	75
9/16" dia. and under	105
Welded wire-reinforcing fabric	45
COPPER	
Brass mill copper and copper base alloy products:	
Copper and non-refractory alloys	45
Refractory alloys	60
Wire and cable products:	
Bare wire and cable	35
Weatherproof wire and cable	35
Magnet wire	35
Rubber insulated building wire	35
Paper and lead cable	40
Varnished cambric cable	35
Asbestos cable (type H–F)	60
Rubber insulated wire and cable (Mold or lead cured)	45
Foundry copper and copper base alloy products:	
Castings (rough castings, not machined—assuming patterns are available)	
Small simple castings to fit 12" by 16" flask	7
Large intricate and centrifugal castings	14
ALUMINUM	
All forms and shapes	45

* * * * *

Where no time is specified in Schedule III for placing orders for a particular form or shape of controlled material, the time for placing such orders shall be subject to agreement between the consumer and the controlled materials producer, provided that no producer shall discriminate between consumers in the acceptance of orders. In the event of any disagreement, the matter should be referred to the appropriate Controlled Materials Division.

SCHEDULE IV.—*Minimum Mill Quantities*

Product	Size and grade for shipment at one time, to one destination
STEEL	
Alloy steel (other than stainless):	
Standard grades and sections:	
Rounds, squares 3" and under	5 net tons.
Hexagon and flats—all sizes	5 net tons.
Stainless steel:	
Standard grades and sections	Product of one ingot.
Tool steel	500 pounds.
Cold finished bars	3 net tons.
Hot rolled carbon bars and semi-finished:	
Round bars up to 3" incl., and squares, hexagons, half rounds, ovals, half ovals, etc., of approximate equivalent sectional area	5 net tons.
Round bars over 3" to 8" (including squares within this range)	15 net tons.
Flat bars, all sizes	5 net tons.
Hot rolled carbon bars and semifinished—Continued.	
Bar size shapes (angles, tees, channels and zees under 3")	5 net tons.
Forging billets, blooms and slabs	Product of one ingot.
Rerolling billets, slabs, sheet bars, skelp	25 gross tons.
Plates and shapes:	
Plates:	
Continuous strip mill production	10 net tons.
Sheared mill, universal mill or bar mill production	3 net tons.
Structural shapes	5 net tons.
Pipes	[1]
Sheet and strip:	
Sheets—hot and cold rolled	5 net tons.
Strip—hot and cold rolled	3 net tons.
Tin mill products (one gauge)	5,000 pounds.
Tubing:	
Carbon and alloy steel—cold drawn:	
O. D. (inches):	
Up to ¾" inclusive	1,000 feet.
Over ¾" to 1½" inclusive	800 feet.
Over 1½" to 3" inclusive	600 feet.
Over 3" to 6" inclusive	400 feet.
Over 6"	250 feet.
Wire and wire products:	
Hot rolled wire rods	5 net tons.
Merchant trade products (Assorted Merchant Products)	5 net tons.
Manufacturing wires (wires for further fabrication):	
Low carbon	1 net ton.
High carbon (0.40 carbon and higher) .0475" and heavier	1 net ton.
Under .0475" to .021"	1,000 pounds.
Under .021"	500 pounds.
Wire rope and strand	1,000 ft. lengths.
Welded wire reinforcing fabric	[2]
Rails and track accessories:	
Guard rail clamps, clip bolts, nut locks, S-irons, rail braces	3 net tons.
Track spikes, track bolts, screw spikes, rail clips, gage rods	5 net tons.
Rail anchors	15 net tons.

SCHEDULE IV.—*Minimum Mill Quantities*—Continued

Product	Size and grade for shipment at one time, to one destination
COPPER	
Brass mill products	200 pounds.
Wire mill products	300 pounds.
ALUMINUM	
Sheet and strip	500 pounds.
Tubing	250 pounds.
Extrusions	200 pounds.
Wire, rod and bar	200 pounds.
Rivets	50 pounds.

[1] Published carload minimum (mixed sizes and grades).

[2] Full rolls of manufacturer's standard stock sizes.

[F. R. Doc. 43-3146; Filed, February 27, 1943; 10:31 a. m.]

PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED MATERIALS PLAN

[CMP Reg. 3, as Amended Feb. 27, 1943]

PREFERENCE RATINGS UNDER THE CONTROLLED MATERIALS PLAN

§ 3175.3 *CMP Regulation 3*—(a) *Purpose and scope.* The purpose of this regulation is to define the operation of preference ratings under the Controlled Materials Plan.

(b) *Definitions.* The following definitions shall apply for the purpose of this regulation and for the purposes of any other CMP regulation unless otherwise indicated:

(1) "Production material" means, with respect to any person, material or products (including fabricated parts and subassemblies) which will be physically incorporated into his product, and includes the portion of such material normally consumed or converted into scrap in the course of processing. It also includes items purchased by a manufacturer for resale to round out his line, if such items do not represent more than 10% of his total sales. It does not include any items purchased by him as manufacturing equipment or for maintenance, repair or operating supplies as defined in CMP Regulation 5.

(2) "Allotment number or symbol" means:

(i) An allotment number or symbol placed on a delivery order as provided in paragraphs (f) and (g) of this regulation, or as provided in CMP Regulation 1 or CMP Regulation 5; or

(ii) A number or symbol placed on a delivery order pursuant to any other regulation or order of the War Production Board if, but only if, it is expressly stated that such number or symbol shall constitute an "allotment number or symbol" for purposes of this regulation.

(c) *Superiority of ratings with allotment numbers or symbols over other ratings of equal grade.* A delivery order bearing a preference rating with an allotment number or symbol shall (unless otherwise ordered by the Director General for Operations) be deemed superior in rating, for purposes of Priori-

ties Regulation 1, to any delivery order bearing a rating of the same grade without an allotment number or symbol, but shall not be superior to another order bearing a rating of a higher grade. For example, a rating of AA-2X with an allotment number or symbol is superior to another rating of AA-2X without an allotment number or symbol, but is inferior to any rating of AA-1 with or without an allotment number or symbol.

(d) *Preference ratings with allotment numbers for production schedules*—(1) *Prime consumers.* In each case when an allotment is made to a prime consumer making Class A or Class B products, and his production schedule is authorized by a Claimant Agency or an Industry Division, a preference rating will be assigned to such schedule for use with the allotment number applicable to the schedule.

(2) *Secondary consumers.* In each case when an allotment is made to a secondary consumer making Class A products and his production schedule is authorized by the consumer making the allotment, the consumer making the allotment shall apply or extend to such production schedule the same rating as he has received for his own related production schedule for use with the appropriate allotment number, except as otherwise provided in paragraph (h) of this regulation.

(3) *Use of ratings received for authorized production schedules.* A prime or secondary consumer who has received a preference rating for an authorized production schedule as provided in this paragraph (d) may use said rating, with the appropriate allotment number, only to acquire production materials in the minimum practicable amounts required to fulfill such schedules, or to replace production materials in his inventory, subject to the restrictions of paragraph (c) (2) of Priorities Regulation 3. He may not use such rating for any other purpose.

(e) *No extension of customers' ratings by prime consumers making Class B products.* A prime consumer who manufactures Class B products and has received an authorized production schedule for such manufacture, accompanied by a preference rating to be used with his allotment number, shall not extend any other rating received by him from a customer, except that if a delivery to be made by him is rated AAA, he may extend said rating to the extent necessary to obtain production material required to fill his AAA order, but may not extend the same for purposes of replenishing his inventory.

(f) *Use of allotment numbers and symbols on delivery orders.* (1) Each prime or secondary consumer shall place on each rated delivery order for production materials, required to fulfill his authorized production schedule of Class A or Class B products, his allotment number with the certification provided in paragraph (g) of this regulation.

(2) A person placing a rated order for maintenance, repair or operating supplies under CMP Regulation 5 shall place thereon the allotment symbol MRO with the certification required by said regulation.

(3) A person placing a rated small order for Class A products pursuant to paragraph (l) of CMP Regulation 1 shall place thereon his allotment number and the symbol SO as required by said regulation, with the certification provided in paragraph (g) of this regulation.

(4) A dealer, distributor, jobber or other person who receives a rated order bearing an allotment number or symbol for any material (other than a controlled material) or product, which is *not* manufactured by him (or which is manufactured by him, but for the manufacture of which he has received no authorized production schedule), may extend the rating to the extent permitted by Priorities Regulation No. 3, with the same allotment number or symbol, using the form of certification prescribed in paragraph (g) of this regulation. If he places a single rated order to which he extends ratings bearing different allotment numbers or symbols, he shall include a statement indicating all the allotment numbers or symbols extended and the amount of the delivery order (in quantity or dollar value) represented by each. He may, if he prefers, extend the rating without any allotment number or symbol.

(5) No person shall place any allotment number or symbol on any delivery order except as provided in the foregoing provisions of this paragraph (f) or as specifically provided in any other regulation or order of the War Production Board.

[NOTE: Subparagraph (5) formerly designated (4); the second sentence revoked Feb. 27, 1943]

(g) *Form of certification.* Any person when placing an allotment number or symbol on a rated delivery order pursuant to this regulation or CMP Regulation No. 1 shall accompany or endorse the same with a certification in substantially the following form (in lieu of the certification provided in Priorities Regulation No. 3) signed manually or as provided in Priorities Regulation No. 7:

Preference rating _____. Allotment number or symbol _____. The undersigned certifies, subject to the criminal penalties for misrepresentation contained in section 35 (A) of the United States Criminal Code, that he is authorized under CMP Regulation No. 3 to apply or extend the above preference rating and allotment number or symbol to the delivery of the items covered by the attached delivery order.

[NOTE: The second line of the above paragraph amended by the addition of "or symbol" Feb. 27, 1943]

An allotment number shall consist of the appropriate Claimant Agency letter symbol followed by the major program number (consisting of one digit only as provided in paragraph (c) (6) (ii) of CMP Regulation No. 1). If the order is placed in connection with an allotment of controlled materials by the purchaser to the seller, the two digits denoting the quarter for which the allotment is valid shall be added as provided in said regulation.

(h) *Use of existing ratings.* (1) A person who has not yet received his allotment and CMP rating for a particular production schedule may apply and extend other preference ratings for such production to the extent permitted by existing Priorities Regulations and Orders (including, in the case of PRP Units, Priorities Regulation 11A regarding transition from PRP to CMP).

(2) Notwithstanding the provisions of paragraph (d) of Priorities Regulation No. 12, regarding compulsory extension of downward reratings, any prime or secondary consumer who receives a rating with an authorized production schedule may, in lieu of using said rating, continue to apply or extend any ratings previously received which he is authorized to use, under existing priorities regulations or orders, for deliveries to be made to him during the second quarter of 1943; and, in authorizing production schedules for his secondary consumers to whom he has already applied or extended a rating previously received by him, he may extend the appropriate allotment number for use with such previously received rating instead of with the rating which he has received under the Controlled Materials Plan.

(i) *Construction and facilities.* Preference ratings assigned for construction or facilities may be applied or extended in the manner and subject to the restrictions provided in CMP Regulation No. 6.

(j) *Effect of preference ratings on deliveries of controlled materials.* (1) Authorized controlled material orders placed with controlled materials producers shall be accepted and filled by such producers as provided in CMP Regulation No. 1 without regard to any preference ratings applicable to such delivery orders and in preference to all other delivery orders, except as may be otherwise specifically directed. To the extent that controlled materials producers are able to fill orders other than authorized controlled material orders, they shall fill such orders until July 1, 1943, in accordance with preference ratings as provided in Priorities Regulation 1 and subject to any other applicable regulations or orders of the War Production Board.

(2) Authorized controlled material orders placed pursuant to applicable CMP Regulations, with persons who are not controlled materials producers, shall be filled by them without regard to any preference ratings applicable to such delivery orders and in preference to all other delivery orders, except as otherwise specifically provided in applicable regulations or orders of the War Production Board, and except that an authorized controlled material order placed with any such person which is rated AAA shall take precedence over other authorized controlled material orders.

(k) *Effect of ratings on conflicting production and delivery schedules for Class A and Class B products.* Manufacturers of Class A and Class B products must comply with the requirements of paragraph (p) of CMP Regulation 1 with respect to the rejection of orders in excess of capacity, and, in the event they are unable to fulfill all orders which they have accepted, they must report for instructions as provided in paragraph (q) of CMP Regulation 1 but until and unless otherwise instructed, they shall fill orders in accordance with preference ratings as provided in Priorities Regulation No. 1 and paragraph (c) of this regulation.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3147; Filed, February 27, 1943; 10:31 a. m.]

PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED MATERIALS PLAN

[CMP Reg. 4, as Amended Feb. 27, 1943]

SALES OF CONTROLLED MATERIALS BY WAREHOUSES AND DISTRIBUTORS

§ 3175.4 *CMP Regulation 4*—(a) *Purpose and scope.* The purpose of this regulation is to specify the procedure to be followed by warehouses and distributors in marketing controlled materials under the Controlled Materials Plan after March 31, 1943 (or February 15, in the case of copper). This regulation does not provide the means by which such persons obtain controlled materials, which will be governed by other regulations or orders.

Steel

(b) *Definitions with respect to steel.* The following definitions shall apply for the purpose of this regulation and for the purpose of any other CMP regulation unless otherwise indicated:

(1) "Steel" means steel—both carbon (including wrought iron) and alloy—in any of the forms and shapes constituting a controlled material as defined in CMP Regulation No. 1.

(2) "Distributor" means any person (including a warehouse, jobber, dealer or retailer) who is engaged in the business of receiving steel for sale or resale and who does not process the material so sold otherwise than by performing such operations as cutting to length, shearing to size, torch cutting or burning to shape, sorting and grading, or pipe threading; but a person who, in connection with any sale, forms, bends, punches or performs any fabricating operation designed to prepare steel for final use or assembly shall not be deemed a distributor with respect to such sale.

(c) *Deliveries of steel by distributors on authorized controlled material orders.* (1) Subject to the provisions of paragraph (d) of this regulation, no distributor shall deliver any steel from stock after March 31, 1943, except to fill authorized controlled material orders.

(2) Each distributor shall, to the extent of his available stocks, fill authorized controlled material orders, after March 31, 1943, subject to the following:

(i) A distributor shall reject any authorized controlled material order calling for delivery at any one time, to any one person, at any one destination, of 40,000 pounds, or more, of steel unless such order includes 10 or more individual items—each item to be of a different specified quality, length or cross-section, and no item of which shall weigh more than 8,000 pounds—or unless all items covered by the order consist of oil country tubing, oil country casing, or oil country drill pipe;

(ii) A distributor who is of the opinion that the filling of any authorized controlled material order calling for delivery of steel would deplete his stocks to a point where his function in the distribution of controlled materials would be seriously impaired, may apply to the War Production Board for authority to reject such order and may delay filling the same until such application is acted upon. The War Production Board may authorize rejection of the order or direct that it be filled, in whole or in part, or take other appropriate action.

(d) *Deliveries of steel by distributors on other orders.* After March 31, 1943, a distributor may fill delivery orders for steel other than authorized controlled material orders, as follows:

(1) Orders in amounts of $10 or less;

(2) Orders bearing preference ratings of AA-5 or higher on which delivery is made prior to July 1, 1943, subject, however, to the same quantity restrictions contained in paragraph (c) (2) (i) of this regulation with respect to deliveries on authorized controlled material orders;

(3) Orders calling for delivery of carbon steel which are authorized under Food Production Order 3 of the Secretary of Agriculture;

(4) Orders calling for delivery of not more than the following amounts of each product classification and type indicated below, to the same customer, at the same destination, during any calendar quarter:

[Quantities in pounds per quarter]

	Carbon (including wrought iron)	Alloy (other than stainless)	Stainless
Structural shapes and piling	8,000	------	------
Plates	8,000	2,000	300
Hot rolled bars, including concrete reinforcing bars	6,000	2,000	300
Cold finish bars	4,000	2,000	300
Tool steel, including drill rod	300	300	------
High carbon spring steel	300	------	------
Tool steel bits	5	------	------
Mechanical tubing	[1] 1,000	------	300
Pressure tubing	[1] 2,000	------	------
Sheets and strip, hot rolled	6,000	------	------
Sheets and strip, cold reduced	6,000	------	300
Sheets and strip, galvanized	6,000	------	------
Sheets and strip, all other, including black plate	6,000	------	------
Pipe	4,000	------	------
Wire and wire products	4,000	------	100
Tin and terneplate	2,000	------	------

[1] Feet.

Provided, however, That each order placed under this subparagraph (4) shall be accompanied by or endorsed with a certificate, signed manually, or as provided in Priorities Regulation No. 7, in substantially the following form:

The undersigned hereby certifies to the distributor with whom this order is placed and to the War Production Board, subject to the criminal penalties provided in section 35 (A) of the United States Crimina' Code, that receipt of the steel covered by this order, together with all other steel received by, or on order for delivery to, the undersigned, from all sources, during the same quarter, will not exceed the limits specified in paragraph (d) (4) of CMP Regulation No. 4.

A distributor shall be entitled to rely on such certificate unless he knows or has reason to believe it to be false.

(5) No person who obtains any steel pursuant to subparagraph (4) of this paragraph (d) shall obtain steel from any sources in the same calendar quarter in amounts aggregating more than the amounts therein specified.

Copper

(e) *Definitions with respect to copper.* The following definitions shall apply for the purpose of this regulation and for the purpose of any other CMP regulation unless otherwise indicated:

(1) "Brass mill product" means sheet, wire, rod or tube made from copper or copper base alloy.

(2) "Wire mill product" means bare or insulated wire or cable for electrical conduction made from copper or copper base alloy.

(3) "Warehouse" means any industrial supplier, mill supplier, plumbing supply house, or other person engaged in the business of distributing brass mill products or wire mill products to industry or trade otherwise than as a controlled materials producer.

(f) *Delivery of brass mill or wire mill products from warehouse stocks.* (1) A warehouse may fill an authorized controlled material order, or an order bearing a preference rating of AA-5 or higher for brass mill or wire mill products, from his stocks, provided that,

(i) Such order does not require delivery of more than 500 pounds (copper or alloy weight) of any item to any one destination, at any one time; and

(ii) Such order is accompanied by or endorsed with a certificate, signed manually or as provided in Priorities Regulation No. 7, in substantially the following form:

The undersigned hereby certifies to the warehouse with whom this order is placed and to the War Production Board, subject to the criminal penalties provided in section 35 (A) of the United States Criminal Code, that the amount of each item of brass mill or wire mill products covered by this order, together with all other amounts of such item received by, or on order for delivery to the undersigned, at any one destination from warehouse stock, during the same month, does not exceed 2,000 pounds, and that such items will not be used by the undersigned for any purpose in violation of any order of the War Production Board.

A warehouse shall be entitled to rely on such certificate unless he knows or has reason to believe it to be false.

(2) No person who obtains any item of brass mill or wire mill products pursuant to this paragraph (f) shall accept deliveries of the same item at any one destination aggregating more than 2,000 pounds, during any one calendar month, from warehouse stocks.

(3) No warehouse shall deliver any brass mill or wire mill products from stock after February 15, 1943, except as provided in subparagraph (1) of this paragraph (f), nor shall any warehouse make any delivery if he has knowledge or reason to know that acceptance thereof would constitute a violation of subparagraph (2) of this paragraph (f).

Aluminum

(g) *Definitions with respect to aluminum.* The following definitions shall apply for the purpose of this regulation and for the purpose of any other CMP Regulation unless otherwise indicated:

(1) "Aluminum" means aluminum in any of the forms and shapes constituting controlled material as defined in CMP Regulation No. 1.

(2) "Distributor" means any person who is specifically authorized by the War Production Board to engage in the business of receiving aluminum for sale or resale.

(h) *Deliveries of aluminum by distributors on authorized controlled material orders.* (1) Each distributor shall, to the extent of his available stocks, fill authorized controlled material orders, except that a distributor shall reject any authorized controlled material order calling for delivery at any one time, to any one person, at any one destination, of more than 500 pounds of any gage, alloy and size of aluminum sheet, or more than 300 pounds of any alloy, shape and size of aluminum wire, rod or bar, or more than 200 pounds of any alloy, size and shape of aluminum tubing, extrusions or structural shapes: *Provided, however,* That any distributor shall be entitled to fill an authorized controlled material order calling for delivery at any one time, to any one person, at any one destination, of 2,000 pounds or less of any gage, alloy and size of aluminum sheet, 1,000 pounds or less of any gage, alloy and size of aluminum wire, rod or bar, or 500 pounds or less of any alloy, size and shape of aluminum tubing, extrusions or structural shapes, if such distributor shall first have requested the mill supplying him to fill such order and such mill shall have advised such distributor to fill the same from his stock. Such request and advice may be made verbally but shall be confirmed in writing.

(2) A distributor may fill orders other than authorized controlled material orders, calling for delivery of aluminum required for essential maintenance, repair or operating supplies, in the amount, and subject to the limitations, provided in paragraph (c) (2) of CMP Regulation No. 5.

General Provisions Applicable to Steel, Brass Mill Products, Wire Mill Products and Aluminum

(i) *Directions to distributors and warehouses.* Each distributor and warehouse shall comply with such directions as may be issued from time to time by the War Production Board with respect to making or withholding deliveries of steel, brass mill products, wire mill products or aluminum, and with respect to the earmarking of stocks of such material.

(j) *Placement of authorized controlled material orders.* A delivery order for steel, brass mill products, wire mill products or aluminum, shall be deemed an authorized controlled material order, if but only if,

(1) It is specifically designated as an authorized controlled material order by any regulation or order of the War Production Board; or

(2) It is endorsed with the appropriate allotment number as required by paragraph (s) (3) of CMP Regulation No. 1.

(k) *Verbal delivery orders.* Any delivery order requiring shipment within seven days may be placed verbally or by telephone by stating to the distributor or warehouse the substance of the information required by this regulation, *Provided,* That the person placing the order furnishes to the distributor or warehouse, within seven days after placing the same, written confirmation of the order complying with the requirements of this regulation. In case of failure to receive written confirmation within seven days, the distributor or warehouse shall not accept any other order from, or deliver any additional material of any kind to, the purchaser until such written confirmation is furnished. On or before the 15th day of each month any distributor or warehouse who has received in the prior month a delivery order by telephone, shall notify the War Production Board, Compliance Division, of any case in which a purchaser has failed to furnish to him the written confirmation when due.

(l) *Special provisions with respect to AAA orders.* Notwithstanding the foregoing provisions of this regulation, an authorized controlled material order placed with a distributor or warehouse bearing a rating of AAA shall be filled in preference to any other authorized controlled material orders regardless of time of receipt.

(m) *Communications.* All communications concerning this regulation should be addressed to the War Production Board, Washington, D. C., Ref: CMP Regulation No. 4 (specify whether steel, copper or aluminum).

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

INTERPRETATION 1

The definitions of "distributor" and "warehouse" appearing in paragraphs (b) (2) and (e) (3) of CMP Regulation No. 4 are not deemed to include persons engaged solely in the business of distributing automotive replacement parts. Consequently, such persons may sell, for use as automotive replacement parts, such items as bulk or spooled primary and spark plug wire, battery cables and magnet wire, without reference to the terms of CMP Regulation No. 4, but subject to the provisions of General Limitation Order L-158 and other applicable regulations or orders. (Issued Feb. 27, 1943)

[F. R. Doc. 43-3148; Filed, February 27, 1943; 10:31 a. m.]

PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED MATERIALS PLAN

[Interpretation 1 of CMP Regulation 4]

The following official interpretation is hereby issued by the Director General for Operations with respect to § 3175.4 CMP Regulation No. 4:

The definitions of "distributor" and "warehouse" appearing in paragraphs (b) (2) and (e) (3) of CMP Regulation No. 4 are not deemed to include persons engaged solely in the business of distributing automotive replacement parts. Consequently, such persons may sell, for use as automotive replacement parts, such items as bulk or spooled primary and spark plug wire, battery cables and magnet wire, without reference to the terms of CMP Regulation No. 4, but subject to the provisions of General Limitation Order L-158 and other applicable regulations or orders.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3149; Filed, February 27, 1943; 10:31 a. m.]

PART 3190—GROCERS AND VARIETY BAGS

[Limitation Order L-261]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of raw materials and facilities entering into the production of paper bags, and the following order is deemed necessary and appropriate in the public interest and to promote national defense:

§ 3190.1 *Limitation Order L-261*—(a) *Definitions.* For the purpose of this order:

(1) "Grocers and variety bags" means unused, pasted, open-mouth single-wall paper bags of the types commonly, but not exclusively, used in retail stores and in service establishments such as dry cleaners and laundries for packaging or protecting articles sold or serviced therein.

(2) "Stock grocers and variety bags" means grocers and variety bags manufactured by the bag maker for his stock.

(3) "Manufacture for stock" means manufacture of bags for the bag maker's general line as distinguished from manufacture of any particular bag which (i) is not in the bag maker's general line, (ii) is made to order, on a special run, for a particular customer, and (iii) is not intended to be sold, out of that run, to any other customer.

(4) "Bag maker" means any person engaged in the business of manufacturing stock grocers and variety bags for sale or for his use as a bag user.

(5) "Bag dealer" means any dealer, jobber, or other person who buys stock grocers and variety bags for resale.

(6) "Bag user" means any person who uses stock grocers and variety bags for packaging goods sold or serviced by him.

(b) *Restrictions on manufacture for stock.* On and after March 1, 1943, no bag maker shall manufacture, for stock, any grocers and variety bag which does not conform with the specifications set out in Schedule A attached to this order.

(c) *Special authorization for additional stock bags.* Any bag maker may apply to the War Production Board for special authorization to manufacture, for stock, any other grocers and variety bag which (1) in relation to its projected end usage, will represent a paper saving over any comparable bag permitted under paragraph (b) above and (2) is in sufficient demand to warrant its manufacture for stock by the bag maker. Such application shall be made by the bag maker by letter setting forth the relevant facts, including:

(i) The bag specifications (class, usage, shape, size, paper grade);

(ii) His production, if any, thereof during the preceding 12-month period or season (if a seasonal bag, indicate length of season in months);

(iii) His estimated average production thereof during the next 12-month period or season;

(iv) An explanation of the expected paper saving.

If authorization for such bag is granted by the Director General for Operations, the bag maker may then manufacture it, for stock, in accordance with the terms of the authorization.

(d) *Exception for bags for export.* The restrictions of paragraph (b) above shall not apply to the manufacture, for stock, of any grocers and variety bags to be exported by the bag maker to any point outside the 48 States, the District of Columbia, and Canada, except that the paper used in manufacturing any such bags shall be no heavier than the paper permitted, under Schedule A, for the most nearly comparable grocers and variety bags.

(e) *Inventory restrictions*—(1) *Bag dealers and bag users.* On and after March 1, 1943, no bag dealer and no bag user shall at any time accept any delivery of stock grocers and variety bags which will increase his total inventory of such bags to more than 1½ carloads (exclusive of bags then in transit to him), except in the following cases:

(i) Where, at such time, the total amount of his reasonably anticipated requirements for the next 45 days is more than 1½ carloads, he may increase his total inventory to the amount of such requirements (with a ½ car leeway, where necessary to round out a full car).

(ii) Where, at such time, his inventory of any particular item or items is less than the amount of his reasonably anticipated requirements for the next 45 days, he may increase his inventory of that item or items to the amount of such requirements (with a ½ car leeway, where necessary to round out a full car).

(2) *Bag makers.* On and after March 1, 1943, no bag maker shall at any time accept any delivery of paper, for his use in manufacturing stock grocers and variety bags, which will increase his total inventory of paper for that purpose to more than 2 carloads (exclusive of paper then in transit to him), except in the following cases:

(i) Where, at such time, the total amount of his reasonably anticipated requirements for the next 60 days is more than 2 carloads, he may increase his total inventory to the amount of such requirements (with a ½ car leeway, where necessary to round out a full car).

(ii) Where, at such time, his inventory of any particular size, sizes, grade, or grades of paper is less than the amount of his reasonably anticipated requirements for the next 60 days, he may increase his inventory of that size, sizes, grade or grades to the amount of such requirements (with a ½ car leeway, where necessary to round out a full car).

(3) *Inventories of multiple-unit organizations.* Any bag maker who manufactures stock grocers and variety bags at more than one location may, at his option, apply the inventory restrictions of this paragraph (e) either to the inventory of each such location separately or to the collective inventory of all such places. The same type of option may be exercised by any bag dealer who deals in such bags at more than one location and by any bag user who uses such bags at more than one location.

(f) *Restrictions on delivery.* No person shall deliver paper to any bag maker or deliver stock grocers and variety bags to any person with knowledge or reason to believe that acceptance of such delivery is not permitted under this order.

(g) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds for the appeal.

(h) *Reports.* Any person affected by this order shall file such reports and questionnaires as the War Production Board may request from time to time.

(i) *Records, audits, inspection.* Every person to whom this order applies shall keep and preserve for not less than two years accurate and complete records of the operations or transactions to which this order applies; *Provided, however,* That any bag user who customarily receives 1 carload of stock grocers and variety bags, or less, per month is not required to establish any special records of bag inventories as long as his monthly acceptances of such bags remain below that amount. All records required to be kept by this order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(j) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or accepting further deliveries of or from processing or using material under priority control and may be deprived of priorities assistance.

(k) *Communications to War Production Board.* All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: War Production Board, Containers Division, Washington, D. C., Ref.: L-261.

(l) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the regulations of the War Production Board, as amended from time to time.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

SCHEDULE A TO ORDER L-261

SPECIFICATIONS FOR STOCK GROCERS AND VARIETY BAGS

(1) *General.* This schedule contains the type, size, and paper specifications for manufacturing stock grocers and variety bags. Subject to the tolerance specified below, the type and size of specifications are mandatory. The paper grade specifications shall be observed insofar as practicable in the light of paper procurement and paper production conditions and other relevant considerations.

(2) *Capacity tolerance.* The "Minimum capacity" specified in Column 5 of the Table below is subject to a maximum deficiency of 2% to compensate for errors caused by wear and tear of machine parts.

(3) *Dimension tolerance.* The dimensions specified in Columns 6, 7, and 8 of the Table below are approximate and may be varied slightly as manufacturing conditions require, provided the cubic capacity (where specified) is not decreased and provided, further, the total sheet area of the paper used is not increased more than 5%.

(4) *Measuring and computing.* Sketches illustrating the methods for measuring bags and computing cubic capacity are attached as Exhibits 1-4 to this Schedule.

(5) *Paper*—(a) *"Normal basis weight"* is computed on the basis of 100% kraft, 500 sheets (24" x 36") to the ream. Subject to the variables provided for in paragraph (1) above, kraft paper used in manufacturing any bag below shall be no heavier than the normal basis weight or weights specified in Column (9) of the Table below for that bag.

(b) Such weight or weights may be appropriately increased when sulphite paper (bleached or unbleached) is used.

(c) A double asterisk (**) after a normal basis weight figure signifies that bleached and unbleached kraft and bleached and unbleached sulphite grades of paper may be used for the particular bag. A single asterisk (*) after a normal basis weight figure signifies that only unbleached kraft grade of paper may be used for that particular bag. (With respect to the basis weights specified for Grocers self-opening (automatic) and square bags, the figures marked with a double asterisk (**) represent Popular Weight lines and the figures marked with a single asterisk (*) represent Heavy Weight lines.)

(d) In no case, may a bag maker manufacture any bag, for stock, from more than one weight of the same grade of paper. Bleached, unbleached, M. G., M. F., machine-striped, and embossed papers shall be considered different grades. However, papers shall not be considered to be different in grade merely because they are different in color.

(e) When M. F. unbleached kraft paper is used, it shall have a minimum average bursting strength of 80% of the normal basis weight of the paper and an Elmendorf tearing strength of 170% of the normal basis weight of the paper, in the machine direction. This specification does not apply to other paper grades.

(6) *"SWS" symbol.* The symbol "SWS" shall be placed by the bag maker on the label or wrapper of each bundle of stock grocers and variety bags manufactured on and after March 1, 1943. Such symbol shall constitute a representation by the bag maker to the War Production Board that the bags in that bundle comply with the specifications of this Schedule or of any special authoriza-

tion issued under this order L–261. The symbol "SS" when placed on any such bag, shall constitute a like representation. Such symbol "SS" shall be replaced by the symbol "SWS" when the bag maker has occasion to replace his existing stock of "SS" dies.

(7) *Specifications table.* The specific type, size, and paper specifications are as follows:

Type			Size					Paper
Class (1)	Normal usage (2)	Shape (3)	Size (4)	Minimum capacity (cu. in.) (5)	Face (F) or Tube (T) width (in.) (6)	Bottom (B) or Tuck (T) width (in.) (7)	Bag length (in.) (8)	Normal basis weight (lbs.) and grade (9)
GROCERS	General	Self-opening (automatic)	½ lb	30	(F) 3	(B) 1¾	5⅞	30**
			1 lb	51	3½	2⅜	6¾	30**
			2 lb	83	4⅞	2⅞	8¾	30**
			3 lb	119	4¾	2⅞	8 13/16	30**
			4 lb	151	5	3⅛	9 13/16	30**
			5 lb	191	5¼	3⅜	10 13/16	35** 40*
			6 lb	240	6	3⅝	11 1/16	35**
			8 lb	304	6¼	3 13/16	12 13/16	35**
			10 lb	350	6 9/16	4 1/16	13 3/16	35** 40*
			12 lb	433	7⅛	4⅜	13 15/16	35** 40*
			16 lb	593	7 1/16	4 13/16	16 1/16	40** 50*
			20 lb	700	8¼	5 9/16	16	40** 50*
			25 lb	779	8¼	5 9/16	17 13/16	40** 50*
		Square	½ lb	29	(F) 3	(T) 1 13/16	6 7/16	30**
			1 lb	50	3⅜	2 1/16	7 1/16	30**
			2 lb	81	4	2 1/16	9 3/16	30**
			3 lb	116	4½	3⅛	10⅛	30**
			4 lb	147	5 1/16	3 1/16	11 3/16	30**
			5 lb	186	5¼	3⅜	12½	35** 40*
			6 lb	234	5¾	3⅞	12 13/16	35**
			7 lb	270	5¾	3⅞	14⅜	35**
			10 lb	341	6¼	4⅜	15	35** 40*
			12 lb	422	6⅞	4⅝	15 15/16	35**
			14 lb	531	7¼	5¼	16⅞	40** 50*
			20 lb	682	8¼	5 7/16	18 9/16	40** 50*
			25 lb	760	8⅛	5 7/16	20 5/16	40** 50*
		Flat	3 lb		(F) 7 1/16	(1)	10⅛	30**
			5 lb		8 1/16	(1)	12½	35**
			7 lb		9 1/16	(1)	14⅜	35**
			10 lb		10 13/16	(1)	15	35**
			14 lb		12 9/16	(1)	16⅞	40**
			20 lb		13⅝	(1)	18 9/16	40**
		Sack (satchel-bottom)	⅛ bbl. poultry	973	(T) 14½	4¾	21	40* 50* 60*
			⅙ bbl. bundle	1386	17	6	21	50* 60*
			¼ bbl. standard	1782	17	(B) 6	27	40* 60* 70*
VARIETY	Candy	Self-opening (automatic)	½ lb	30	(F) 3	(B) 1¾	5⅞	30**
			1 lb	51	3½	2 3/16	6¾	30**
			2 lb	83	4 5/16	2⅝	8 5/16	30**
		Flat	½ lb		(F) 4 13/16	(1)	6 7/16	30**
			1 lb		5 11/16	(1)	7 1/16	30**
			2 lb		6 13/16	(1)	8⅞	30**
	Garment	Flat	36 lb		(F) 23⅝		36	25**
			54 lb		23⅝		54	25**
	Pants	Flat	30 lb		(F) 18		30	25**
	Laundry (hotel)	Flat	18 x 26		(F) 18		26	30**
	Liquor bottles	Square	1 pt		(F) 3¾	(T) 2¼	11½	35*
			1 qt		3½	3	16¾	35*
	Notions	Flat			(F) 4		6¾	25**
					5		7½	25**
					6¼		9¼	25**
					7½		10½	25**
					8½		11	25**
	Millinery	Flat			(F) 10		13	25**
					12		15	25**
					15		18	25**
					17		21	25**
					21		24	25**
	Shopping	Sack (satchel-bottom, handle)		895	(T) 14½	(B) 4¾	17¾	70*
				1,186	17	5⅞	17¾	70*
	Extra heavy duty (sugar)	Self-opening (automatic)	1 lb	51	(F) 3½	(B) 2 3/16	6¾	50*
			2 lbs	83	4 5/16	2⅝	8 5/16	50*
			3 lbs	119	4¾	2⅞	8 13/16	50*
			4 lbs	151	5	3⅛	9 13/16	50*
			5 lbs	191	5¼	3⅜	10 13/16	50*
			6 lbs	240	6	3⅝	11 1/16	50*
			8 lbs	304	6¼	3 13/16	12 13/16	60*
			10 lbs	350	6 9/16	4 1/16	13 3/16	60*
			12 lbs	433	7⅛	4⅜	13 15/16	60*
			16 lbs	593	7 1/16	4 13/16	16 1/16	60*
			20 lbs	700	8¼	5 9/16	16	60*
			25 lbs	779	8¼	5 9/16	17 13/16	60*

[1] The sheet area of this bag (paper width multiplied by tube length) shall be no less than that of the square grocers bag of the corresponding size (in lbs.).

EXHIBIT 1.—SELF-OPENING (AUTOMATIC) BAGS

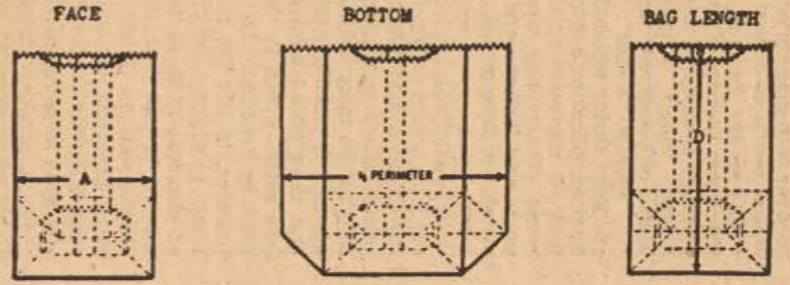
METHOD OF MEASUREMENT AND COMPUTATION OF CUBIC CAPACITY

General

1. Position of bag: Face (with thumb notch) to the front—bottom and seam to rear.

2. Point of measurement: Dimension lines in diagram.

3. Equipment: Scale graduated in sixteenth of inches.



Face width (A): Measure across the front of the folded bag just above the top of the bottom fold.

Bottom width (C): Spread the bag so that the tucks normally behind the face are fully extended outward. Press the bag flat and measure full width as close to the bottom fold as possible. Subtract from this measurement the face width.

Bag length (D): Measure along center of the front face of the bag, from the lower bottom fold to the top of the serrated edge of the rear face.

Cubic capacity: (A×C×D) is the product of the face width, bottom width and the bag length.

EXHIBIT 2.—SQUARE BAGS

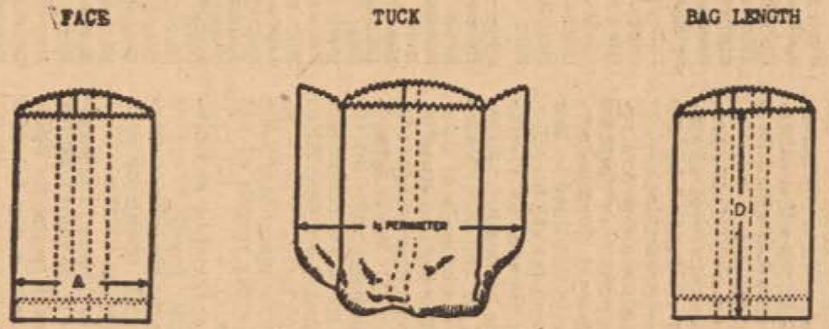
METHOD OF MEASUREMENT AND COMPUTATION OF CUBIC CAPACITY

General

1. Position of bag: Face with lip, bottom fold, and seam to rear.

2. Point of Measurement: Dimension lines in diagram.

3. Equipment: Scale graduated in sixteenths of inch.



Face width (A): Measure across the front of the folded bag just above the top of the bottom fold.

Tuck width (C): Spread the bag so that the tucks normally behind the face are fully extended outward. Press the bag flat and measure full width as close to the bottom fold as possible. Subtract from this measurement the face width.

Bag length (D): Measure along center of the front face of the bag, from the lower bottom fold to the top of the serrated edge of the front face.

Cubic capacity: [A×C×(D−½C)] is the product of face width, tuck width and the bag length minus one-half the tuck width.

EXHIBIT 3.—FLAT BAGS

METHOD OF MEASUREMENT

General

1. Position of bag: Face with lip, bottom fold, and seam to rear.

2. Point of Measurement: Dimension lines in diagram.

3. Equipment: Scale graduated in sixteenths of inch.

Face width (A): Measure across the front of the folded bag just above the top of the bottom fold.

Bag length (D): Measure along center of the front face of the bag, from the lower bottom fold to the top of the serrated edge of the front face.

EXHIBIT 4.—SACKS (SATCHEL-BOTTOM)

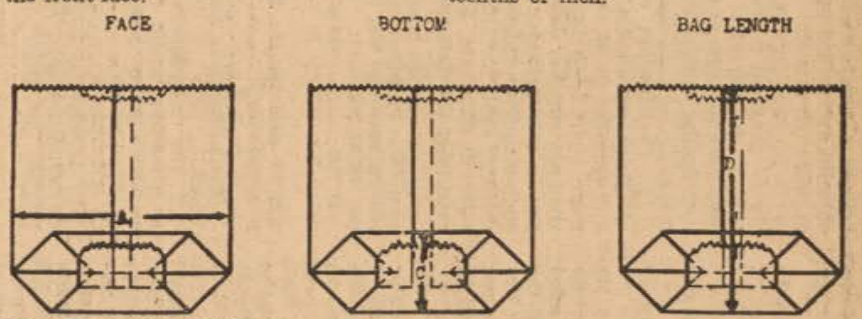
METHOD OF MEASUREMENT AND COMPUTATION OF CUBIC CAPACITY

General

1. Position of bag: Face thumb notch, bottom, and seam to rear.

2. Point of measurement: Dimension lines in diagram.

3. Equipment: Scale graduated in sixteenths of inch.



Face (A): 1. Tube width: Measure across th front of bag just above the top of the bottom fold. 2. Capacity width: Computed by subtracting bottom width from tube width.

Bottom (C): Measure along center from the lower fold of the bottom to its upper fold.

Bag length (D): Measure along center of the rear face of the bag, from the lower bottom fold, with the bottom resting on the opposite face to the thumb notch, to the top of the serrated edge of the rear face.

Cubic capacity: [(A−C) × C×D] is the product of capacity width (tube width minus bottom width), bottom width, and the bag length.

[F. R. Doc. 43-3142; Filed, February 27, 1943; 10:29 a. m.]

PART 3200—CHARCOAL

[General Preference Order M-289]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of charcoal for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3200.1 *General Preference Order M-289*—(a) *Definitions.* (1) "Charcoal" means an amorphous form of artificial carbon obtained by incomplete combustion of wood, either hardwood or soft-

wood, by the destructive distillation process, or in kilns or pits, in the form of lumps, briquettes, granular, braize or powdered.

(2) "Producer" means any person who produces charcoal and includes any sales agent for any producer or group of producers.

(3) "Distributor" means any person who purchases charcoal for resale.

(4) "Supplier" means a producer or distributor.

(b) *Restriction on deliveries.* (1) No supplier shall deliver any charcoal to any person except as specifically authorized or directed by the Director General for Operations. No person shall accept delivery of any charcoal which he knows or has reason to believe is delivered in violation of this order.

(2) Authorizations or directions with respect to deliveries to be made by suppliers in each calendar month will so far as practicable be issued by the Director General for Operations prior to the commencement of such month (in the normal case on Form PD–602 filed pursuant to paragraph (f) (1)), but the Director General for Operations may at any time issue directions with respect to deliveries to be made.

(3) In the event that any supplier, after receiving notice from the Director General for Operations with respect to a delivery of charcoal which he is authorized or directed to make to any specific customer, shall be unable to make such delivery either because of receipt of notice of cancellation from such customer or otherwise, such supplier shall forthwith give notice of such fact to the War Production Board, Chemicals Division, Washington, D. C., Ref.: M–289, and shall not, in the absence of specific authorization or direction from the Director General for Operations sell or otherwise dispose of the charcoal which he is unable to deliver as aforesaid.

(c) *Restrictions on use.* (1) No producer shall use charcoal except as specifically authorized or directed by the Director General for Operations.

(2) No person shall use charcoal received by him for a purpose or purposes contrary to the purpose or purposes certified in the certificate furnished by him pursuant to paragraph (e) (1) hereof.

(3) The Director General for Operations may from time to time issue directions with respect to the use or uses which may or may not be made of charcoal to be delivered or then on hand.

(d) *Exceptions to requirement for specific authorization.* (1) Notwithstanding the provisions of paragraphs (b) (1) and (c) (1) hereof, specific authorization of the Director General for Operations shall not be required for:

(i) Delivery by any supplier to any one person in any calendar month of not more than 1,000 lbs.

(ii) Delivery of charcoal by any producer in any calendar month to one or more persons where the quantity of charcoal produced in such month by such producer does not exceed 12 tons.

(iii) Use by any producer in any calendar month of not more than 1,000 lbs.

(2) In no event shall aggregate deliveries by any producer in any calendar month pursuant to paragraph (d) (1) (i) hereof, exceed one percent of the deliveries which such producer is specifically authorized or directed to make during such month.

(3) No supplier shall make any delivery of charcoal pursuant to paragraph (d) (1) (i) hereof if such delivery will prevent any delivery which he has been specifically authorized or directed to make.

(e) *Certification of customer's use.* (1) No person shall accept delivery from any supplier in any calendar month of more than 1,000 lbs. of charcoal (nor shall any supplier deliver to any one person in any calendar month more than such quantity) unless the person seeking delivery shall have filed with such supplier, in duplicate, a certificate in substantially the following form:

The undersigned purchaser hereby certifies to the War Production Board and to his supplier, pursuant to War Production Board Order No. M–289, that:

I. The _____ tons of charcoal hereby ordered for delivery in _____, 194__,
(month)
will be used for the following purpose or purposes only _____

_____

[For instructions see paragraph (e) (2) hereof.]

II. The undersigned's use of charcoal in corresponding month of the year 1942 for each such purpose was

Purpose A _____ Tons
Purpose B _____ Tons

[If purchase is for resale, specify under section II quantity resold by undersigned in corresponding month of 1942.]

_____
Name of Purchaser

By _____
Duly Authorized Official

_____ _____
Date Title

Such certificates shall be signed by an authorized official, either manually or as provided in Priorities Regulation No. 7. The receipt of such certificate shall not authorize the delivery of charcoal by a producer or distributor where he knows or has reason to believe the same to be false, but in the absence of such knowledge or reason to believe, he may rely on the certificate.

(2) In filling out section I of the certificate referred to in paragraph (e) (1) hereof, applicant shall specify use or uses in terms of the following:

Copper
Bronze
Brass
Powder (black)
Iron
Meat curing
RR dining cars
Steel
Ferro silicon
Ferro manganese
High carbon ferro chromium
Legume inoculants
Sodium cyanide
Activated carbon
Tobacco curing
Glass
Carbon bisulfide
Case hardening compounds
Poultry and stock feed
Heat treating
Fuel for drying foundry cores
Heating railroad cars
Domestic accounts
Others (specify)
Resale

If charcoal ordered is for more than one use, indicate each one separately and state quantity ordered for each use. If purchase is for resale, applicant will specify "resale", followed by statement of use or uses (in terms of the uses specified in this paragraph) to which charcoal will be put by his customer.

(3) One of the duplicate originals of each certificate received by a supplier pursuant to paragraph (e) (1) hereof, shall be retained by such supplier. The second copy shall be transmitted by such supplier to the War Production Board with his application (on Form PD–602) for authorization to make delivery.

(f) *Applications and reports.* (1) Each supplier requiring authorization to make delivery of charcoal during any calendar month beginning with April, 1943 (and each producer seeking authorization to use charcoal), shall file application on or before the 20th day of the preceding month. Application for authorization to make delivery of (or use) charcoal in March, 1943, shall be filed as many days as possible in advance of the proposed date of delivery or use. The application shall be made on Form PD–602 in the manner prescribed therein, subject to the following special instructions:

(i) Copies of Form PD–602 may be obtained at local field offices of the War Production Board.

(ii) Four copies shall be prepared of which three shall be filed with the War Production Board, Washington, D. C., Ref: M–289, the fourth being retained for applicant's files. At least one of the copies filed with the War Production Board shall be manually signed by the applicant by a duly authorized official. A separate set of Form PD–602 shall be filed for each grade of charcoal for which authorization to deliver is sought.

(iii) In the heading, under name of chemical, specify "Charcoal", followed by grade of charcoal in terms of the following: lump, briquettes, granular, braize or powdered; under WPB Order No., specify "M–289"; indicate month and year during which deliveries covered by the application are to be made; under unit of measure, specify tons; under name of company, specify applicant's name and indicate address of plant or warehouse from which shipment will be made.

(iv) In Column 1 list names of customers from whom orders for delivery during the month to which the application relates have been received. If it is necessary to use more than one sheet to list customers, number each sheet in order and show grand total for all sheets on last sheet, which is the only one that need be certified. It is not necessary, however, to list the name of any customer to whom not more than 1,000 lbs. of charcoal is to be delivered in such month, but in lieu thereof, applicant should state in Column 1 "Total small order deliveries (estimated)" and in Column 4, specify the total estimated quantity so to be delivered.

(v) A producer requiring permission to use a part or all of his own production of charcoal shall list his own name on

Form PD-602 as a customer, specifying quantity required and product use.

(vi) Supplier will specify, in Column 1A the use to which the charcoal will be put by his customer, as indicated by the certificate filed with applicant by the customer pursuant to paragraphs (e) (1) and (e) (2) hereof. If the charcoal ordered by a customer is for two or more uses, indicate each use separately and indicate the quantity of charcoal ordered for each use.

(vii) Leave Column 6 blank.

(viii) In Column 7 specify quantity used by customer in corresponding month of 1942 for each purpose for which charcoal is ordered, or if customer is a distributor, quantity resold by customer in such corresponding month.

(ix) A producer whose entire production is sold through a single sales agent, acting jointly for such producer or for such producer and other producers, need not list the customers to whom delivery is to be made by such sales agent. It will be sufficient to list in Column 1 the name of the sales agent and to list in Column 1A "resale". In any case, however, each producer shall report production, deliveries and stocks as required by Table II, Columns 8 and 16 inclusive.

(2) The Director General for Operations may require each person affected by this order to file such other reports as may be prescribed, and may issue other and further directions with respect to preparing and filing Form PD-602.

(g) *Miscellaneous provisions*—(1) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable regulations of the War Production Board, as amended from time to time.

(2) *Notification of customers.* Each supplier shall, as soon as practicable, notify each of his regular customers of the requirements of this order, but failure to give notice shall not excuse any such person from complying with the terms hereof.

(3) *Intra-company deliveries.* The prohibitions and restrictions of this order with respect to deliveries of charcoal shall apply, not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of a single enterprise to another branch, division or section of the same or any other enterprise under common ownership or control.

(4) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(5) *Violations.* Any person who wilfully violates any provisions of this order, or who, in connection with this order wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(6) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Chemicals Division, Washington, D. C. Ref.: M-289.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3143; Filed, February 27, 1943; 10:30 a. m.]

PART 3204—POTASH

[General Preference Order M-291]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of potash for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense.

§ 3204.1 *General Preference Order M-291*—(a) *Definitions.* (1) "Potash" means the following primary potash salts: muriate of potash, sulfate of potash, sulfate of potash-magnesia and run-of-mine potash.

(2) "Potassium oxide" (hereinafter referred to as "K_2O") means the highly caustic oxide of potassium. As such it does not exist commercially but is used as a standard unit of measure in determining the relative value of potash salts.

(3) "Muriate of potash" means the chloride salt of potassium. In commerce it is offered in two grades: muriate of potash containing 48 to 52 per cent K_2O, and high grade muriate of potash containing 58 to 62.7 per cent K_2O.

(4) "Sulfate of potash" means commercial potassium sulfate, a potash salt containing approximately 48 per cent or more K_2O, chiefly as sulfate. It does not include recrystallized salt.

(5) "Sulfate of potash-magnesia" means a potash and magnesia salt containing from approximately 18 to 25 per cent K_2O and 18 to 25 per cent sulfate of magnesia.

(6) "Run-of-mine potash" (also known as manure salts and kainit) means potash salts containing a high percentage of chlorides and containing more than 18 and less than 48 per cent K_2O.

(7) "Producer" means any person engaged in the production of potash and includes any person who has potash produced for him pursuant to toll agreement.

(8) "Distributor" means any person who, for his own account or as agent or broker for any producer, sells potash in any form. The term includes importers but does not include any manufacturer (including any fertilizer manufacturer) to the extent that he uses potash as one of his raw materials, any person who purchases potash exclusively for sale at retail, or any governmental agency which delivers fertilizers to farmers.

(9) "Supplier" means a producer or distributor.

(10) "Period" means one of the three periods specified in paragraphs (a) (11), (a) (12) and (a) (13).

(11) "Period One" means April 1, 1943 through May 31, 1943.

(12) "Period Two" means June 1, 1943 through March 31, 1944

(13) "Period Three" means April 1, 1944 through May 31, 1944.

(b) *Restrictions on deliveries and use.* (1) On and after April 1, 1943 no supplier shall deliver potash to any person, and no person shall accept delivery of potash from a supplier except as specifically authorized or directed by the Director General for Operations.

(2) Authorizations or directions with respect to quantities of potash which may be received in any period will be issued by the Director General for Opertions as soon as possible after the receipt of the applications called for by paragraph (e) (1) hereof. Thereafter, after persons so authorized to receive potash have placed with producers or distributors their orders for potash within the totals provided in such authorizations and such producers and distributors have made application pursuant to paragraph (e) (3) to make delivery to such persons, the Director General for Operations will issue to each producer or distributor authorizations with respect to deliveries to be made. The Director General for Operations may, however, at any time, at his discretion, and notwithstanding the provisions of paragraph (c) hereof, issue directions with respect to deliveries to be made or accepted or with respect to the use or uses which may or may not be made of potash to be delivered or then on hand. Insofar as authorizations or directions relate to the quantities of particular grades of mixed fertilizer to be manufactured from potash or to the quantity of potash to be made available for direct application to the soil, such authorizations or directions will so far as practicable be issued in conformity with needs for grades of mixed fertilizer or for potash as determined by the Director of Food Production of the Department of Agriculture.

(3) Each person specifically authorized to accept delivery of potash shall use such material for the purpose authorized and only for such purpose except as otherwise specifically directed by the Director General for Operations.

(c) *Exceptions to requirement for specific authorization.* Notwithstanding the provisions of paragraph (b) (1) hereof, specific authorization of the Director General for Operations shall not be required for:

(1) Acceptance of delivery by any person from all sources in any period of not more than one ton of potash for each month of such period, in terms of K_2O content;

(2) Delivery by any supplier in any period to any person who shall have furnished to such supplier a certificate in substantially the following form:

The undersigned hereby certifies that the potash hereby ordered to be delivered in Period _____ [insert One, Two or Three] does not, taken with all other potash delivered or to be delivered from all sources

in such period, exceed one ton for each month of such period, in terms of K_2O content.

Name of purchaser

By---
Authorized official Title

Date

The above certificate shall constitute a representation to (but shall not be filed with) the War Production Board. Such certificate shall be signed by an authorized official, either manually or as provided in Priorities Regulation No. 7. The receipt of such certificate shall not authorize the delivery of such potash by a supplier where he knows or has reason to believe the same to be false, but in the absence of such knowledge or reason to believe, he may rely on the certificate;

(3) Delivery by any supplier to any person in any period prior to the receipt of any specific authorization or direction of the Director General for Operations with respect to deliveries to be made in such period of not more than 20% of the quantity of any potash salt delivered by such supplier to such person during the corresponding period in the 12 months ending March 31, 1943. Any person delivering or receiving potash delivered in any period pursuant to this paragraph (c) (3) shall charge the amount so delivered or received against the amount which he is or may be specifically authorized or directed to deliver or receive in such period, and against any amount which may be delivered or received pursuant to paragraphs (c) (1) and (c) (2);

(4) Delivery by any supplier to any person, and acceptance of delivery by any person from any supplier, of any undelivered balance under any contract which provides for completion of delivery prior to April 1, 1943;

(5) Delivery by any supplier to any person, and acceptance of delivery by any person from any supplier, of any potash which such supplier has been directed by specific direction of the Director General for Operations to deliver to such person prior to May 1, 1943.

(d) *Transportation and storage directions.* For the purpose of conserving transportation and storage facilities, the Director General for Operations may issue directions to any person respecting deliveries or storage of potash which may or may not be made, and respecting form of transportation and shipping routes.

(e) *Applications and reports.* (1) Each person requiring authorization to accept delivery of potash in any period, whether for own consumption or resale, shall file application therefor on Form PD–600 in the manner prescribed therein, subject to the following special instructions:

(i) Copies of Form PD–600 may be obtained at local field offices of the War Production Board.

(ii) Four copies shall be prepared, of which three shall be filed with War Production Board, Chemicals Division, Washington, D. C., Ref: M–291, the fourth to be retained for applicant's files.

(iii) The date when such applications shall be filed with the War Production Board will be as follows:

(*a*) Where the application is for authorization to accept delivery of potash in Period One: on or before March 7, 1943.

(*b*) Where the application is for authorization to accept delivery of potash in Period Two: on or before May 1, 1943.

(*c*) Where the application is for authorization to accept delivery of potash in Period Three: on or before March 1, 1944.

(iv) In the heading, under "name of chemical" specify "Potash"; under "WPB Order No.", specify "M–291"; under heading "Indicate Unit of Measure", specify "Short Tons of Potash Salt" (not K_2O content). Do not specify supplier.

(v) In heading at top of Table I, specify "Period ----------" [One, Two or Three], not month.

(vi) In Columns 1 and 11, specify particular potash salt as follows: muriate of potash, sulfate of potash, sulfate of potash-magnesia, run-of-mine potash, and also indicate in each case per cent of K_2O content.

(vii) In Column 2 indicate quantity in short tons of each salt requested (not K_2O content).

(viii) In Column 3, applicant will specify his primary product in terms of the following:

Fertilizers
Potassium bitartrate
Potassium carbonate
Potassium chlorate
Potassium cyanide
Potassium hydroxide
Potassium nitrate
Potassium perchlorate
Potassium permanganate
Potassium phosphates
Other chemical (specify)
Resale (as potash) subject to further authorization.

(ix) In Column 4 applicant will specify ultimate use of product (where, for example, the primary product called for in Column 3 is "Potassium carbonate" the ultimate use of product might be "optical glass"), and will also specify in each case whether his customer is Army, Navy, other government agency, Lend-Lease or commercial customer. Where the Form PD–600 is an application for potash for resale (as potash) pursuant to further authorization, applicant will leave Column 4 blank. Where primary product called for in Column 3 is potassium chlorate or potassium perchlorate, specify "Order M–171" in Column 4 and omit further statement of use.

(x) Leave blank Columns 13 to 15c, inclusive.

(xi) In heading at top of Column 16 "Estimated stocks end current month", strike out "end current month" and insert "beginning period ————————" [specify number of period to which application relates]. In Column 16, specify estimated amount of inventory of each potash salt listed in Column 11, including any amounts estimated to be undelivered as of the beginning of such period pursuant to the contracts or directions referred to in paragraphs (c) (4) and (c) (5).

(xii) Leave blank Tables III and IV in their entirety.

(2) On or before the 7th day following the commencement of each period, each person who has applied for authorization to accept delivery of potash during such period pursuant to paragraph (e) (1) hereof, shall file a single copy of PD–600 with War Production Board, Chemicals Division, Washington, D. C., Ref: M–291, subject to the following special instructions:

(i) In the heading, under "name of chemical" specify "Potash"; under "WPB Order No.", specify "M–291"; under heading "Indicate Unit of Measure", specify "Short Tons of Potash Salt" (not K_2O content). Do not specify supplier.

(ii) Tables I, III and IV should be left blank in their entirety.

(iii) In Column 11 (Table II) specify particular potash salt as follows: muriate of potash, sulfate of potash, sulfate of potash-magnesia and run-of-mine potash, and in each case, per cent of K_2O content.

(iv) Leave blank Columns 13 to 15c, inclusive, and strike out heading at top of Column 16 "Estimated stocks end current month", and substitute for that heading "Stocks beginning period ————————" [insert number of period in which report is filed]. In Column 16, specify amount of inventory of each potash salt listed in Column 11, including any amounts undelivered at the beginning of such period pursuant to the contracts or directions referred to in paragraphs (c) (4) and (c) (5).

(3) Each supplier seeking authorization to make delivery of potash during any period shall file application therefor on Form PD–601 in the manner prescribed therein, subject to the following special instructions:

(i) Copies of Form PD–601 may be obtained at local field offices of the War Production Board.

(ii) Four copies shall be prepared, of which three shall be filed with War Production Board, Chemicals Division, Washington, D. C., Ref: M–291, the fourth to be retained for supplier's files.

(iii) The date when such application shall be filed with the War Production Board will be as follows:

(*a*) Where the application relates to Period One: on or before April 7, 1943.

(*b*) Where the application relates to Period Two: on or before July 7, 1943.

(*c*) Where the application relates to Period Three: on or before April 7, 1944.

(iv) In the heading, under "name of chemical", specify "Potash"; under "WPB Order No.", specify "M–291"; in heading "This schedule is for deliveries to be made during the month of ", substitute the word "period" for word "month", and indicate "One, Two, or Three", as the case may be; under heading "Indicate unit of measure", specify short tons of potash salt (not K_2O content).

(v) In Column 1 indicate the name of each customer to whom supplier proposes to make delivery of potash in the period to which application relates. If it is necessary to use more than one sheet to list customers, number each sheet in order and show grand totals for all sheets on the last sheet, which is the only one that need be certified. It is not necessary, however, to list the names of customers to whom, in such period, applicant proposes to make small order deliveries pursuant to paragraph (c) (1) and (c) (2) hereof, but applicant must specify in Column 1 "Total small order deliveries (estimated)" and in Column 4 must state the estimated quantity.

(vi) In Column 3 specify particular potash salt which applicant proposes to deliver as follows: muriate of potash, sulfate of potash, sulfate of potash-magnesia and run-of-mine potash, and in each case, the per cent of K_2O content.

(vii) Leave blank Columns 5 to 16, inclusive, except for any remarks considered pertinent, which may be listed in Column 7.

(4) The Director General for Operations may require each person affected by this order to file such other reports as may be prescribed, and may issue special directions to any such person with respect to preparing and filing Forms PD–600 and PD–601.

(f) *Miscellaneous provisions*—(1) *Applicability of regulations.* This order

and all transactions affected thereby are subject to all applicable regulations of the War Production Board, as amended from time to time.

(2) *Notification of customers.* Producers shall as soon as practicable notify each of their regular customers of the requirements of this order, but failure to give such notice shall not excuse any such person from complying with the terms hereof.

(3) *Intra-company deliveries.* The prohibitions and restrictions of this order with respect to deliveries of potash shall apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of a single enterprise to another branch, division or section of the same or any other enterprise under common ownership or control.

(4) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact, or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(5) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(6) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed be addressed to: War Production Board, Chemicals Division, Washington, D. C. Ref.: M-291.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3144; Filed, February 27, 1943; 10:30 a. m.]

PART 3209—PUBLIC SANITATION SERVICES—MAINTENANCE, REPAIR AND OPERATING SUPPLIES

[Preference Rating Order P-141]

§ 3209.1 *Preference Rating Order P-141*—(a) *Definitions.* For the purposes of this order:

(1) "Operator" means any individual, partnership, association, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not, located in the United States, its territories or possessions, or any such operator located in the Dominion of Canada to whom and in whose name a copy of this order has been specifically issued, engaged in, or constructing facilities for the purpose of engaging in, supplying public sanitation services (but not including manufacturers of public sanitation products) whether or not such operator has applied the preference ratings herein assigned.

(2) "Material" means any commodity, equipment, accessory, part assembly, or product of any kind.

(3) "Maintenance" means the upkeep of an operator's property and equipment in sound working condition.

(4) "Repair" means the restoration of an operator's property and equipment to sound working condition after wear and tear, damage, destruction of parts, or the like, have made such property or equipment unfit or unsafe for service.

(5) "Operating supplies" means:

(i) Material which is essential to the operation of the services specified above and which is generally carried in an operator's inventory and charged to operating expense accounts.

(ii) Material for an addition to or an expansion of property or equipment including minor extensions of sewer laterals, provided that such an addition, or expansion, shall not include any work order, job, or project, in which the cost of material shall exceed $1,500 in the case of underground construction and $500 in the case of other construction and provided further that no single construction project shall be subdivided into parts in order to come below these limits.

(6) Material for "operating supplies", "maintenance" and "repair" includes only material which is essential to minimum service standards, and does not include material for the improvement of an operator's property or equipment through the replacement of material which is still usable in the existing installation, with material of a better kind, quality or design.

(7) "Supplier" means any person with whom a purchase order or contract has been placed for delivery of material to an operator, or to another supplier.

(8) "Calendar quarterly period" means the quarterly period commencing on the first day of the first, fourth, seventh and tenth months of the calendar year and ending, respectively, on the last day of the third, sixth, ninth, and twelfth months of the calendar year, or the operator's customary accounting period closest to such period.

(9) "Inventory" means all new or salvaged material in the operator's possession, unless physically incorporated in plant, without regard to its accounting classification, excluding, however, appliances and merchandising supplies, and material in the operator's possession which is segregated for use in additions and expansions specifically authorized under paragraph (e) (2) of this order, or by an operative order in the P-19 series, or by an operative preference rating certificate issued by the War Production Board.

(b) *Assignment of preference ratings.* Subject to the terms of this order, the following preference ratings are hereby assigned:

(1) *Operators.* (i) AA-2X to deliveries to an operator of material required by him for maintenance or repair, and to deliveries of operating supplies.

(ii) Subject to the provisions of paragraph (e) (2), AA-5 to deliveries to an operator of material required by him for protection against sabotage, air raids, or other hostile acts, provided such protection is directed by an authorized Federal or State agency.

(iii) Subject to the provisions of paragraph (e) (2), deliveries to an operator, of material required by him for the construction of collection facilities necessary to serve rated projects or to serve rated equipment, are assigned the same rating as is assigned to such project or to the delivery of such equipment; except that where such project or such equipment is assigned two or more ratings, deliveries to an operator of items containing copper, or iron, or steel, are assigned the highest rating which is assigned by the project or equipment rating order to deliveries of items containing the like metal, and in the case of all other items, such deliveries to an operator are assigned the lowest rating which is assigned to such project or equipment.

(iv) AA-1 to deliveries, to an operator of material required by him for repair of facilities following an actual breakdown thereof, or to make reasonable advance provision for such repair, provided that such AA-1 rating shall not be applied to more than 30 percent of the material in any class which can be scheduled for delivery in each calendar quarterly period under the provisions of paragraph (f) of this order.

(c) *Revocation or amendment.* This order may be revoked or amended at any time as to any operator or any supplier. In the event of revocation, deliveries already rated pursuant to this order shall be completed in accordance with said rating, unless the rating has been specifically revoked with respect thereto. No additional applications of the rating to any other deliveries shall thereafter be made by the operator or supplier affected by such revocation.

(d) *Restrictions on use of rating.* The preference ratings hereby assigned shall not be applied or extended by an operator or supplier to obtain deliveries of scarce material, the use of which could be eliminated without serious loss of efficiency by substitution of a less scarce material or by change of design.

(e) *Application and extension of ratings.* (1) The ratings assigned by this order may be applied and extended by an operator or supplier either:

(i) In accordance with Priorities Regulation No. 3 as amended: *Provided, however,* That in no case may the ratings assigned in paragraphs (b) (1) (ii) and (b) (1) (iii) hereof be applied or extended until approval has been granted pursuant to paragraph (e) (2) hereof, or

(ii) By endorsement of the following statement on the original and all copies of each purchase order or contract for material, the delivery of which is rated by this order, and delivery of a copy of such order or contract to any supplier;

Rating ------ Material to be delivered pursuant to paragraph (b) ------ of Preference

Rating Order P–141—Public Sanitation Services—Maintenance, Repair and Operating Supplies, with the terms of which I am familiar.

(Name of operator or supplier)

(Signature of designated official)

(2) In addition to the requirements of paragraph (c) (1), an operator, in order to apply the preference ratings assigned by paragraphs (b) (1) (ii) and (b) (1) (iii), to segregate material from inventory for the uses described in such paragraphs, or to accept delivery of material for such uses, must, unless otherwise directed, communicate with the Governmental Division, War Production Board, Washington, D. C., Ref: P–141, supplying in detail the following information or such other information as may be from time to time required:

(i) The operator's job number relating to the proposed construction.

(ii) A description of the project or equipment to be served, including the location, an estimate of maximum rate of flow to be provided for, and the population served, as well as other pertinent information.

(iii) A description of the proposed construction, including a print of construction showing size of sewers, capacity of pumps, and other equipment, the location of manholes, drop manholes, size and location of treatment plants and important control valves as well as other information relevant thereto.

(iv) A statement of relationship to military needs, war production, public health or safety.

(v) A copy of the customer's project or equipment preference rating order or certificate. (Such copies of orders or certificates are not required when operator's applications accompany the customer's project applications.)

(vi) A statement explaining whether service can be rendered in any other way or by any other operator, with the use of smaller quantities of critical materials.

(vii) An estimate of the total cost of the operator's project.

(viii) A list of material required for the construction, giving the estimated weight of each material with the estimated cost, classified as indicated in the instructions for revised Form PD–200. (Such list should indicate materials in inventory not to be replaced, materials to be purchased from the excess stocks of other operators, materials to be obtained or replaced, without priorities assistance, and materials expected to be obtained or replaced with priorities assistance.)

The Director General for Operations will notify the operator whether and to what extent the application is approved and no operator shall apply such preference ratings, segregate material from inventory for the uses described in paragraphs (b) (1) (ii) and (b) (1) (iii), or accept delivery of material for such uses without such approval.

(3) In addition to the records required to be kept under Priorities Regulation No. 1, the operator, and each supplier placing or receiving any purchase order, or contract rated hereunder, shall retain, for a period of two years, for inspection by representatives of the War Production Board, endorsed copies of all such purchase orders or contracts, whether accepted or rejected, segregated from all other purchase orders or contracts or filed in such manner that they can be readily segregated for such inspection.

(f) *Restrictions on deliveries, withdrawals and inventory.* (1) No operator shall, in placing orders, schedule for delivery to him in any calendar quarterly period, any material (whether or not rated pursuant to this order) to be used as operating supplies or for maintenance or repair or for any other purposes (except material to be segregated for use in additions and expansions specifically authorized under paragraph (e) (2) of this order, or by an operative order in the P–19 series, or by an operative preference rating certificate issued by the War Production Board) the aggregate dollar volume of which shall exceed 25 percent of the aggregate dollar volume of withdrawals of items of materials of the same class from inventory during the calendar year 1940.

(2) No operator shall at any time accept deliveries (whether or not rated pursuant to this order) of any item of material to be used as operating supplies or for maintenance or repair or for any other purpose (except material to be segregated for use in additions and expansions specifically authorized under paragraph (e) (2) of this order, or by an operative order in the P–19 series, or by an operative preference rating certificate issued by the War Production Board) until such operator's inventory of items of the same class has been reduced to a practical working minimum. Such inventory shall, in no case, exceed the aggregate dollar volume of items of material of the same class in inventory on the most recent date during the calendar year 1940 on which the operator's inventory was taken.

(3) No operator shall

(i) During any calendar quarterly period, make withdrawals from inventory of any item of material to be used as operating supplies for maintenance or repair or for any other purpose (except to segregate such material for use in additions and expansions specifically authorized under paragraph (e) (2) of this order, or by an operative order in the P–19 series, or by any operative preference rating certificate issued by the War Production Board), the aggregate dollar volume of which shall exceed the aggregate dollar volume of withdrawals of such items of materials of the same class during the corresponding quarter of 1940, or at the operator's option, 25 percent of the aggregate dollar volume of withdrawals of such items of materials of the same class during the calendar year 1940.

(ii) Construct an addition to, or an expansion of, property or equipment, and no operator shall, in the case of contract construction, accept delivery of material for such purposes unless:

(*a*) Such addition or expansion is specifically authorized by the Director General for Operations, or

(*b*) Such addition or expansion is an extension less than 250 feet in length (including house connection and any portion built by or for a customer) of a line to serve a new building where the foundation, under the main part of the structure, was completed prior to July 1, 1942, or

(*c*) Such addition or expansion is not an extension of a line to customer premises and requires an expenditure of material having a dollar value of less than $1,500 in the case of underground construction and $500 in the case of other construction: *Provided, however,* That no single work order, job, or project, shall be subdivided into parts to come below these limits.

(4) Notwithstanding the provisions contained in paragraphs (f) (1), (2) and (3), an operator may:

(i) In any calendar quarterly period, increase the aggregate dollar volume of scheduled deliveries of material for the maintenance and repair of, and for operating supplies for, collection, treatment, pumping and disposal facilities, and withdrawals of material for such use over the limits prescribed in paragraphs (f) (1) and (f) (3) respectively, proportionately to the increase in load on the system in the preceding calendar quarterly period over the load on the system in the calendar quarterly period of 1940 corresponding to such preceding calendar quarterly period;

(ii) Schedule for delivery in any calendar quarterly period items of material which will increase the aggregate dollar volume of inventory of material for the maintenance and repair of, and for operating supplies for, collection, treatment, pumping and disposal facilities over the aggregate dollar volume of material in inventory on the most recent date during the calendar year 1940 on which the operator's inventory was taken, proportionately to the increase in load on the system during the preceding calendar quarterly period of 1940 corresponding to such preceding calendar quarterly period;

(iii) In order to provide material for unavoidable and emergency situations in cases where the inventory of a class of material exceeds a practical working minimum, accept in any calendar quarterly period deliveries of any item of material within such a class in which he considers his inventory deficient; such deliveries, however, not to exceed 5 percent of the dollar volume of withdrawals of material of the same class in the calendar year 1940;

(iv) In any calendar quarterly period schedule for delivery, or accept delivery of, or make withdrawals in such period of, material necessary for the maintenance or repair of the operator's property or equipment which is damaged by acts of the public enemy, sabotage, explosion, fire, flood, or other climatic conditions: *Provided,* That if the restrictions in paragraphs (f) (1), (2) or (3) as modified by the provisions of paragraphs (f) (4) (i), (ii), (iii), are exceeded because of the scheduling or acceptance of such deliveries, or because of such withdrawals, a full report thereof together with reasons therefor shall be made immediately to the Director General for Operations;

(v) In any calendar quarterly period schedule for delivery, or accept delivery of, items of material in any class (as such class is indicated in War Production Board inventory report forms) having in the aggregate a dollar value not more than the dollar value of material of the same class taken from the operator's inventory for delivery to other

operators or suppliers, and of such material so taken for delivery to any person pursuant to Priorities Regulation No. 13, and of such material taken for delivery to any person to whom a special sale of war material would be permissible under paragraphs (c) (2) (i) and (c) (2) (iv) of Priorities Regulation No. 13, to the extent that such takings have reduced the operator's inventory of items of material of the same class below a practical working minimum which shall in no case exceed the limits set up in paragraph (f) (2) hereof; and

(vi) In any calendar quarterly period withdraw from inventory items of material in any class (as such class is indicated in War Production Board inventory report forms) having in the aggregate a dollar value not more than the dollar value of usable material of the same class salvaged from plant during the current calendar quarterly period.

(5) The Director General for Operations may, on the application of any operator, authorize such operator to exceed the restrictions on deliveries, withdrawals, and inventory set forth in this paragraph (f). Nothing herein contained shall be construed to affect in any way, any specific authorizations or approvals issued by the Director General for Operations pursuant to Preference Rating Order P–46 prior to February 24, 1943.

(6) The provisions of paragraphs (f) (1), (f) (2), and (f) (3) (i) shall not apply to fuel or chemicals for sewage treatment.

(g) *Sales of material from excess inventory.* Any operator may sell to any other operator, material from the seller's inventory in excess of the practical working minimum, *Provided,* That (1) a preference rating of AA–5 or higher, assigned by this order, or by any preference rating certificate or order, or (2) a specific direction issued by the Director General for Operations, is applied or extended to the operator selling such material; and any such sale shall be expressly permitted within the terms of paragraph (c) (3) of Priorities Regulation No. 13.

(h) *Audits and reports.* (1) Each operator and each supplier who applies the preference ratings hereby assigned, and each person who accepts a purchase order or contract for material to which a preference rating is applied, shall submit from time to time to an audit and inspection by duly authorized representatives of the War Production Board.

(2) Each operator and each such supplier shall execute and file with the War Production Board such reports and questionnaires as said Board shall from time to time request. No such reports shall be filed until such time as the proper forms are prescribed by the War Production Board.

(3) Each operator shall maintain a continuing record of inventory and of segregated material in his possession.

(i) *Communications to War Production Board.* All reports required to be filed hereunder and all communications concerning this order must be addressed to the Governmental Division, War Production Board, Washington, D. C., Ref: P–141 unless otherwise directed.

(j) *Violations.* Any person who wilfully violates any provisions of this order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime and, upon conviction, may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control, and may be deprived of priorities assistance.

(k) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the regulations of the War Production Board, as amended from time to time.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3145; Filed, February 27, 1943; 10:30 a. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S–237]

SUPER GAS CO., INC.

Super Gas Company, Inc., a corporation doing business at 789 Amboy Avenue, Fords, New Jersey, is engaged in the marketing of motor fuel. From March 19, 1942 to July 22, 1942, the Company delivered to Super Gas Company, Inc., Service Station, 789 Amboy Avenue, Fords, New Jersey, which it owns and operates, a total of approximately 100,435 gallons in excess of the amount permitted to be delivered to this service station in accordance with the monthly quota provisions of Limitation Order L–70.

These wilful violations of Limitation Order L–70 have impeded and hampered the war effort of the United States by diverting motor fuel to uses unauthorized by the War Production Board. In view of the foregoing facts, *It is hereby ordered,* That:

§ 1010.237 *Suspension Order S–237.* (a) During each of the months of March, April and May, 1943, Super Gas Company, Inc., its successors and assigns, shall not deliver or cause to be delivered, directly or indirectly, any motor fuel, as defined in Limitation Order L–70, to any service station in excess of 25 per cent of the average monthly gallonage delivered to such service station by Super Gas Company, Inc., during the period of August 1942 through December 1942.

(b) During the months of March, April and May, 1943, Super Gas Company, Inc., its successors and assigns, shall not accept from any source the delivery of any motor fuel, as defined in Limitation Order L–70, at the Super Gas Service Station owned and operated by it located at 789 Amboy Avenue, Fords, New Jersey.

(c) Nothing contained in this order shall be deemed to relieve Super Gas Company, Inc., its successors and assigns, from any restriction, prohibition or provision contained in any other order or regulation of the Director of Industry Operations or the Director General for Operations except in so far as the same may be inconsistent with the provisions hereof.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3193; Filed, February 27, 1943; 5:00 p. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S–248]

SID MACK CO.

The Sid Mack Company, 2350 West Beaver Street, Jacksonville, Florida, is a partnership composed of Sidney Mack and Uly Mack in the business of acting as a plumbing supply establishment. From May 27, 1942 to October 1, 1942 the Sid Mack Company, in wilful violation of Limitation Order L–79, made numerous sales and deliveries of new metal plumbing and heating equipment to ultimate consumers on orders which did not bear any preference ratings and did not contain the certifications required by Limitation Order L–79. The Sid Mack Company, furthermore, on September 16, 1942 and October 2, 1942 applied preference ratings of A–10 under Preference Rating Order P–84 in order to purchase 10,000 feet of new galvanized pipe when the Company did not have A–10 rated orders from its customers to support most of this amount. This constituted wilful violations of Preference Rating Order P–84 and Priorities Regulation No. 3.

These violations have impeded and hampered the war effort of the United States by diverting scarce materials to uses unauthorized by the War Production Board. In view of the foregoing: *It is hereby ordered,* That:

§ 1010.248 *Suspension Order S–248.* (a) Sidney Mack and Uly Mack, individually or doing business as the Sid Mack Company or otherwise, their or its successors and assigns, are hereby prohibited from accepting deliveries of, receiving, delivering, selling, transferring, trading, or dealing in any new metal plumbing or heating equipment as defined in Limitation Order L–79, except as specifically authorized by the Director General for Operations.

(b) Nothing contained in this order shall be deemed to relieve Sidney Mack and Uly Mack, individually or doing business as the Sid Mack Company or otherwise, from any restriction, prohibition, or provision contained in any other order or regulation of the Director of Industry Operations or the Director General for Operations except insofar as the same may be inconsistent with the provisions hereof.

(c) This order shall take effect on March 2, 1943, and shall expire on September 2, 1943.

Issued this 27th day of February 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3194; Filed, February 27, 1943; 5:00 p. m.]

PART 933—COPPER

[Supplementary Order M–9–b, as Amended March 1, 1943]

§ 933.3 *Supplementary Order M–9–b*—(a) *Definitions.* For the purposes of this supplementary order:

(1) "Scrap" means all copper or copper-base alloy materials or objects which are the waste or by-product of industrial fabrication, or which have been discarded on account of obsolescence, failure or other reason.

(2) "Copper clad steel scrap" means all copper or copper-base alloy clad or coated steel materials or objects in which the cladding or coating amounts to 3% or more by weight and which are the waste or by-product of industrial fabrication, or which have been discarded on account of obsolescence, failure or other reason.

(3) "Copper" means copper metal which has been refined by any process of electrolysis or fire refining to a grade and in a form suitable for fabrication such as cathodes, wire bars, ingot bars, ingots, cakes, billets, wedge bars or other refined shapes, or copper shot or other forms produced by a refiner.

(4) "Copper-base alloy" means any alloy in the composition of which the percentage of copper metal by weight equals or exceeds 40% of the total weight of the alloy.

(5) "Alloy ingot" means an alloy ingot or other shape for remelting which has been cast primarily from copper-base alloy or scrap.

(6) "Brass mill scrap" means that scrap which is a waste or by-product of industrial fabrication of products of brass mills.

(7) "Brass mill" means any person who rolls, draws or extrudes castings of copper or copper-base alloys; it does not include a mill which rerolls, redraws or reextrudes products produced from refinery shapes or castings of copper or copper-base alloys.

(8) "Foundry" means any person casting copper or copper-base alloy shapes or forms suitable for ultimate use without rolling, drawing, extruding, or forging. The process of casting includes the removal of gates, risers and sprues, and sand blasting, tumbling or dipping, but does not include any further machining or processing.

(9) "Scrap dealer" means any person regularly engaged in the business of buying and selling scrap.

(10) "Public utilities" means any person furnishing telephone, telegraph or electric light and power services to the public or city, suburban or inter-city electrically operated public carrier transportation.

(b) *Delivery or acceptance of scrap, copper clad steel scrap or alloy ingots.* Notwithstanding any preference rating, no person shall deliver or accept the delivery of any scrap, copper clad steel scrap or alloy ingots except in accordance with the following directions:

(1) Brass mill scrap shall be delivered only to a scrap dealer or to a brass mill; a scrap dealer who accepts delivery of brass mill scrap shall in turn deliver such scrap only to a brass mill or another scrap dealer.

(2) No. 1 or No. 2 copper scrap shall be delivered only to a scrap dealer, or to a person specifically authorized by the Director General for Operations to receive deliveries of such quantities of No. 1 or No. 2 copper scrap.

(3) Copper clad steel scrap and unreloadable fired artillery cases, cartridge cases or bullet jackets, which have been manufactured from copper, copper-base alloys or copper clad steel, in excess of ten (10) pounds, or copper base alloy scrap containing 0.1% or more of beryllium by weight, shall be delivered only to persons specifically authorized or directed by the Director General for Operations to receive such deliveries.

(4) Scrap other than that specified in paragraphs (b) (1) through (3) above shall be delivered only to a scrap dealer, or to a person specifically authorized by the Director General for Operations to receive deliveries of such quantities of scrap.

(5) Alloy ingots shall be delivered only to a person specifically authorized by the Director General for Operations to receive deliveries of such quantities of alloy ingots.

(6) No person shall accept delivery of alloy ingots, copper clad steel scrap or unreloadable fired artillery cases, cartridge cases or bullet jackets, which have been manufactured from copper, copper-base alloys or copper clad steel, in excess of ten (10) pounds, or of copper base alloy scrap containing 0.1% or more of beryllium by weight, except as specifically authorized by the Director General for Operations.

(7) A person other than a brass mill or dealer shall accept a delivery of scrap, other than that specified in paragraph (b) (6) above, only pursuant to a specific authorization of the Director General for Operations.

(8) A brass mill shall accept no delivery of scrap other than brass mill scrap without the specific authorization of the Director General for Operations.

(9) A scrap dealer shall accept delivery of scrap only if:

(i) Such scrap is not of a kind or grade specified in paragraph (b) (6) above, and

(ii) Such scrap dealer shall during the preceding 60 days, have sold or otherwise disposed of scrap to an amount at least equal in weight to the scrap inventory of such scrap dealer on the date of acceptance of delivery of scrap (which inventory shall exclude such delivery), and

(iii) Such scrap dealer shall have filed with the Bureau of Mines, College Park, Maryland, by the 10th of each month, Form PD–249, and

(iv) Such scrap dealer shall have supplied such other information as the Director General for Operations may from time to time require.

(c) *Melting or processing of scrap, copper clad steel scrap or alloy ingots.* (1) No person other than a brass mill shall melt or process scrap, copper clad steel scrap or alloy ingots, without the specific authorization of the Director General for Operations.

(2) No brass mill shall melt or process any scrap other than brass mill scrap, without the specific authorization of the Director General for Operations.

(3) Any person accepting a delivery of scrap, copper clad steel scrap or alloy ingots shall use such scrap, copper clad steel scrap or alloy ingots only for the purposes for which acceptance of such delivery is authorized by the Director General for Operations.

(d) *Delivery to or acceptance of copper by foundries and makers of alloy ingots.* Notwithstanding any preference rating, no person shall deliver any copper to a foundry or to a maker of alloy ingots, and no foundry or maker of alloy ingots shall accept any such delivery, except as specifically authorized by the Director General for Operations.

(e) *Authorization*—(1) *Basis of authorization.* Authorization to receive deliveries of, melt or process copper, scrap, copper clad steel scrap, or alloy ingots will be given by the Director General for Operations to assure the satisfaction of the most essential war requirements.

(2) *Application for authorization.* (i) Any person desiring to obtain an authorization, pursuant to this order, to accept the delivery of, melt or process copper, alloy ingot, scrap or more than ten (10) pounds of unreloadable fired artillery cases, cartridge cases or bullet jackets which have been manufactured from copper or copper base alloys, should make application on Form PD–59, Copper Division, War Production Board, by the 5th of each month.

(ii) Any person applying for an authorization to accept delivery of copper clad steel scrap or more than ten (10) pounds of unreloadable fired artillery cases, cartridge cases or bullet jackets which have been manufactured from copper clad steel must furnish the Director General for Operations with a letter setting forth the kind and grade of material, the tonnage, the period during which deliveries must be received, and the end use into which products produced out of such material will go.

(3) *Proof of authorization*—(i) *Refined copper.* Any foundry or ingot maker authorized to purchase specified amounts of refined copper under the terms of an allocation certificate must submit the allocation certificate issued to him to his supplier at the time of placing his order. If the order is placed with a dealer, the allocation certificate must be surrendered to the dealer. If the order is placed with a refiner, the allocation certificate must be endorsed by the refiner, specifying the quantity of refined copper which the refiner will deliver.

(ii) *Alloy ingot, scrap or copper clad steel scrap.* Any person authorized to purchase specified amounts of alloy ingot, scrap or copper clad steel scrap may notify his supplier of his right to make a purchase by endorsing on, or attaching

to, each contract or purchase order placed by him under the terms of the authorization, a certification in the following form signed by an official duly authorized for such purpose:

Certification: The undersigned purchaser hereby represents to the seller and to the War Production Board that he is entitled to purchase the items shown on this purchase order pursuant to Allocation Certificate, Serial No. ——— for the month of ——— ——— and that receipt of these items, together with all other orders placed by him, will not result in his receiving more alloy ingot, scrap or copper clad steel scrap, than he has been authorized to receive for the month indicated by such purchase order pursuant to said Allocation Certificate.

Name of purchaser	Address
Signature and title of duly authorized official	Date

The person receiving the certification shall be entitled to rely on such certification unless he knows or has reason to believe it to be false. Each person supporting a purchase order by such a certification must maintain at his regular place of business all documents, including purchase orders and preference rating orders and certificates, upon which he relies as entitling him to make such purchases, segregated and available for inspection by representatives of the War Production Board, or filed in such manner that they can be readily segregated and made available for such inspection.

(f) *Disposal of scrap or copper clad steel scrap, generated through fabrication or accumulated through obsolescence.* No person shall use, melt, or dispose of any scrap or copper clad steel scrap generated in his plant through fabrication or accumulated in his operations through obsolescence, in any way other than by sale or delivery to a person authorized to accept such delivery, without the specific authorization of the Director General for Operations. In no event shall any person keep on hand more than thirty days' accumulation of scrap or copper clad steel scrap unless such accumulation aggregates less than one ton. All persons generating scrap or copper clad steel scrap through fabrication or accumulating scrap or copper clad steel scrap through obsolescence, in excess of five hundred pounds in any calendar month, shall report on Form PD–226 on or before the 5th day of the following month, to the War Production Board, Ref: M–9–b, setting forth inventory of scrap and copper clad steel scrap at the beginning of the previous calendar month, accumulations and sales during such month, inventory at the end of such month and such other information as the Director General for Operations may request from time to time. Nothing herein contained shall prohibit any public utility from using in its own operations wire or cable which has become scrap by obsolescence provided the lengths of such wire or cable are in excess of five feet and the quantity of such material so used by such public utility in any calendar month does not exceed five tons or such other amount as the Director General for Operations may specifically authorize.

(g) *Toll agreement.* No person shall deliver scrap, copper clad steel scrap or alloy ingots and no person shall accept same for converting, remelting or other processing under any existing or future toll agreement, conversion agreement or other form of agreement by which title remains vested in the person delivering the scrap, copper clad steel scrap or alloy ingots or causing the scrap, copper clad steel scrap or alloy ingots to be delivered, or which agreement is contingent upon return of processed material in any quantities, equivalent or otherwise, to the person delivering or causing the scrap, copper clad steel scrap or alloy ingots to be delivered, unless and until such an agreement shall have been approved by the Director General for Operations. Any person desiring to have such an agreement approved must furnish the War Production Board a letter setting forth the names of the parties to such agreement, the material involved as to kind and grade, the form of same, the estimated tonnage involved, the estimated rate of delivery, the length of time such agreement or other similar agreement has been in force, the duration of the agreement, the purpose for which the processed material is to be used, and any other pertinent data that would justify such approval.

(h) *Restriction on acceptance of copper-base alloys or castings, including alloy ingots, made therefrom.* No person shall knowingly accept delivery of copper-base alloys or castings, including alloy ingots, made therefrom, which have been obtained by melting and processing scrap or copper clad steel scrap delivered to a melter or processor contrary to the provisions of this order.

(i) *Specific directions.* The Director General for Operations may from time to time issue specific directions to any person as to the source, destination, amount, or grade of scrap, copper clad steel scrap or alloy ingots to be delivered, acquired or used by such person.

(j) *Reports.* In addition to the reports specified in this order, each ingot maker shall file by the 5th of each month, Form PD–751, Ingot Makers Report of Copper Base Alloy Ingot and each foundry shall file by the 5th of each month, Form PD–59–B, Copper Foundries: Monthly Report of Copper Base Alloy Ingot Inventory.

(k) *Violations.* Any person who wilfully violates any provision of this order or who wilfully furnishes false information to the Director General for Operations in connection with this order is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries or from processing or using material under priority control and may be deprived of priorities assistance.

(l) *Addressing of communications.* All applications, statements, or other communications filed pursuant to this order or concerning the subject matter hereof, should be addressed Copper Division, War Production Board, Ref: M–9–b, Washington, D. C.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3229; Filed, March 1, 1943; 11:32 a. m.]

PART 940—RUBBER AND BALATA AND PRODUCTS AND MATERIALS OF WHICH RUBBER IS A COMPONENT

[Amendment 3 to Supp. Order M–15–b, as Amended Dec. 28, 1942]

Supplementary Order No. M–15–b, as amended December 28, 1942, (§ 940.3) is hereby amended in the following respects:

1. By amending paragraph (c) (3) to read as follows:

(3) *Limitation on consumption to fill war orders.* (i) The Director General for Operations or the Rubber Director may from time to time, by special directives issued pursuant to this paragraph (c) (3) (i), limit the consumption of crude rubber, latex, reclaimed rubber, scrap rubber or balata by any person to fill war orders to such extent and in such manner as may be provided by such special directives.

(ii) No person shall consume more crude rubber, latex, reclaimed rubber, scrap rubber or balata to fill any war order than is required for delivery within sixty days from the date such crude rubber, latex, reclaimed rubber, scrap rubber or balata is consumed under the delivery dates specified in the purchase order placed with him.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3230; Filed, March 1, 1943; 11:32 a. m.]

PART 944—REGULATIONS APPLICABLE TO THE OPERATION OF THE PRIORITIES SYSTEM

[Interpretation 1 to Priorities Reg. 11, as Amended Feb. 20, 1943]

SUPPLIES

I. *Cranes, monorails, and similar equipment.* The question has arisen as to whether PRP ratings authorized for maintenance, repair and operating supplies can be used to purchase cranes, monorails and similar equipment having a value of over $200 as minor items of capital equipment under the definition of supplies contained in Priorities Regulation No. 11 [§ 944.32].

The definition of supplies was changed by amendment issued February 20, 1943, but this amendment made no change in the meaning of the words "minor items of productive capital equipment."

The important points to note are that under the definition of "supplies" it is only minor items of productive capital equipment which may be included but that even production materials which are needed for plant expansion or plant construction are not included. In general, cranes and monorails are acquired either to replace existing equipment or for plant expansion. If such equipment is to be used for plant expansion it does not come within the definition of "supplies" regardless of the cost. In this connection expansion of facilities within a plant is considered plant expansion. If, on the other hand, the equipment is required for replacement purposes or for minor relocation of plant machinery and equipment, then the question of cost becomes important in determining whether

the item can be classified as minor capital equipment.

In general, items costing less than $200 may be classified as minor. Items costing over $500 would not be classed as minor within the definition. Between these two figures judgment would have to be exercised taking into consideration the size of the plant, the nature of the equipment and similar factors. In case of doubt, application should be made on a PD-1A Form for a rating for the needed equipment.

II. *Effect of CMP Regulation No. 5.* Attention is called to paragraph (h) of Priorities Regulation No. 11A, which provides that, in general, CMP Regulation No. 5 shall control with respect to maintenance, repair and operating supplies to be delivered after March 31, 1943. The definition of "maintenance, repair and operating supplies" under CMP Regulation No. 5 limits minor items of productive capital equipment to those not exceeding $500 in cost, but also includes minor capital additions not exceeding $500 in cost (excluding cost of labor in each case). Thus, there may be some items which will constitute maintenance, repair or operating supplies under CMP Regulation No. 5 but which do not come within the definition of "supplies" under Priorities Regulation No. 11.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3231; Filed, March 1, 1943; 11:33 a. m.]

PART 1288—POWER, STEAM AND WATER AUXILIARY EQUIPMENT

[Revocation of Schedule III to Limitation Order L-154]

FEED WATER HEATERS

Section 1288.4 *Schedule III to Limitation Order L-154,* issued November 21, 1942, is hereby revoked. This revocation shall not affect, in any way, any liabilities or penalties accrued or incurred under said section prior to the revocation.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3233; Filed, March 1, 1943; 11:33 a. m.]

PART 3045—COTTON TEXTILES FOR WORK APPAREL

[Schedule I,[1] to General Preference Order M-207 as Amended March 1, 1943]

MALE WORK CLOTHING

§ 3045.2 *General Preference Order M-207*—(a) *Definitions.* For the purposes of this schedule:

(1) "Male work clothing" shall mean any garments designed for male workers' wear while engaged in their occupations and of the type customarily sold as one of the following:

Waistband overalls or dungarees.
Bib overalls.
Overall jumpers or coats.
Blanket-lined overall jumpers or coats.
One-piece work suits.
Work pants.
Work breeches.
Cossack jackets.
Work shirts.
Work aprons.
Oilskin jackets, coats, hats or apron overalls.
Lined work coats.
Doctors', dentists', internes' or orderlies' gowns, suits or coats.
Druggists' coats.
Slaughter house workers' coats.
Butchers', fish handlers' or dairy workers' coats or apron sets.
Cooks' coats.
Safety garments made expressly to meet particular safety needs and to conform with safety codes.
Shop and work caps.

(2) "Work clothing textiles" shall mean

(i) Cotton waistbands, cotton trouser curtains, cotton sewing thread and the following fabrics made wholly of cotton, except as hereinafter expressly provided, either in the gray, original mill or regular finish or converted state, including seconds but excluding all cuts of less than twenty (20) yards as produced in the ordinary course of fabric manufacture:

Denims:
White back, 28" to 29" width basis:

Regular finish weight basis	*or*	*Shrunk weight basis*
1.60 yard		11 ounce.
1.78 yard		10 ounce.
2.00 yard		9 ounce.
2.20 yard		8 ounce.
2.45 yard		2.20 yard.
3.00 yard		2.70 yard.

Denim stripes, 28" to 29" with basis:
2.20 yard---------- 8 ounce.
Pin checks:
38" to 40"—2.40 to 2.85 yard, regular finish weight basis.
Chambrays:
36" 3.90 yard, fine yarn, regular finish weight basis.
Coverts:
36" 3.90 yard, fine yarn, regular finish weight basis.
36" 3.20 yard, coarse yarn, regular finish weight basis.
36" 1.65 yard, shrunk weight basis.
36" 2.00 yard, shrunk weight basis.
36" 2.40 yard, shrunk weight basis.
Whipcords:
36" 1.65 yard, shrunk weight basis.
36" 1.45 yard, shrunk weight basis.
36" 1.35 yard, shrunk weight basis.
Cottonades:
36" 1.65 yard, shrunk weight basis.
36" 1.45 yard, shrunk weight basis.
Woven shirting flannels:
Plains and fancies.
36" 3.00 yard, regular finish weight basis.
36" 2.30 yard, regular finish weight basis.
Blanket linings:
54" to 56" 16 ounce maximum weight, made of cotton or of cotton and reused wool.
Moleskins:
Finished weight basis:
30" 7¾ to 8¼ ounce, plain ground.
36" 9½ to 10 ounce, plain ground.
30" 8¾ to 9¼ ounce, plain ground.
30" 7½ to 7¾ ounce, black and white.
30" 8 to 8½ ounce, black and white.
30" 8¾ to 9¼ ounce, black and white.
Warp sateen:
54", not lighter than 1.30 yard.
Corduroys:
36" 12 to 13 ounce thickset, finished weight basis.
Suedes:
Gray width and weight basis:

	Finished widths
40 to 40½" 1.60 to 1.65 yard	35 to 36"
40 to 40½" 3.00 yard	35 to 36"

Poplins:
Gray width and weight basis:

38 to 39" 2.50 yard	35 to 36"
38 to 39" 2.85 yard	35 to 36"
38 to 39" 3.25 yard	35 to 36"

	Finished Widths
Drills:	
Gray width and weight basis:	
30" 72 to 76 sley, 48 to 60 pick 2.50 yard	28 to 29"
37" 68x40, 2.75 yard.	
Twills:	
Gray width and weight basis:	
39" minimum count 88x42, 1.60 and 1.90 yard	35 to 36"
30" 88x56 2.10 to 2.20 yard	23"
31/32" 1.90 yard.	
39" 2.00 yard not less than 170 threads per sq. in	35 to 36"
39" 2.50 yard not less than 170 threads per sq. in	35 to 36"
39" 68x76 4.00 yard.	

Jeans:
Gray width and weight basis:
38 to 39" 96x64 2.85 yard---- 35 to 36"
Print cloth yarn fabrics:
Gray width and weight basis:
36" 20x16 21.00 yard.
36" 28x24 15.00 yard.
36" 32x28 13.00 yard.
38½" 44x36 8.60 yard.
38½" 44x40 8.20 yard.
38½" 60x48 6.25 yard.
38½" 64x60 5.35 yard.
40" 80x92 3.50 yard for use in oilskin processing only.
Sheetings:
36" 48x48 2.85 yard.
40" 48x48 2.85 yard.
40" 64x68 3.15 yard.
40" 48x44 3.75 yard.
40" 44x40 5.50 yard.

Any sheeting over 46" not exceeding 76 picks per inch, produced on looms normally weaving wide bed sheeting.

(ii) Pro rata widths of like count and weight to the above constructions, provided such other width fabrics, wider or narrower, are produced for the purpose of utilizing maximum productive width of looms or augmenting the supply of square yardage in fabric widths suitable for economical use in the manufacture of male work clothing.

(3) "Work clothing processor" shall mean:

(i) A person who purchases work clothing textiles for manufacturing, or to be manufactured for his account, into male work clothing for sale or rental, and any Federal, State, County, or Municipal institution engaged in the manufacture of male work clothing.

(ii) The manufacturer of waistbands or trouser curtains, to be used in male work clothing, for sale to a manufacturer of male work clothing.

(iii) The converter or finisher of work clothing textiles who bleaches, finishes or processes work clothing textiles for sale to a processor of male work clothing as defined in subparagraph (a) (3) (i).

[1] NOTE: The item "Shop and Work Caps" was added to list in paragraph (a) (1) and the items "Denims," "Drills" and "Print Cloth Yarn Fabrics" were amended March 1, 1943.

(4) "Inventory" shall mean the total quantity of work clothing textiles or of work clothing textiles in process of manufacture into male work clothing or of male work clothing owned by any work clothing processor and held by him in any mill, warehouse, place of storage or manufacturing plant.

(b) *Manufacture of denims.* The denims specified in paragraph (a) (2) (i) which are manufactured after October 31, 1942, and which are sold and delivered pursuant to the application of the rating assigned in paragraph (c) shall be woven 36 to 37" wide *pro rata*, to the extent that loom width permits.

(c) *Assignment of preference rating.* Purchase or manufacturing orders for work clothing textiles placed by work clothing processors are hereby assigned a preference rating of A-2.

(d) *Restrictions on use of work clothing textiles.* Notwithstanding the provisions of paragraph (c) (1) of General Preference Order M-207, no work clothing processor shall use any full length pieces of first quality or run-of-mill twills, drills or jeans heavier than 39"—4.00 yards in the manufacture of pocketings, waistbands or trouser curtains.

(e) *Application of preference rating.* Any work clothing processor, in order to apply the preference rating assigned by paragraph (c) to deliveries of material to him, must endorse on or attach to each purchase or manufacturing order placed by him to which the rating is applied, a certificate in the following form, signed manually or as provided in Priorities Regulation No. 7 (§ 944.27) by an official duly authorized for such purpose:

The undersigned purchaser hereby certifies to the seller and the War Production Board that he is entitled to apply the preference rating indicated opposite the items shown on the attached purchase order and that such application is in accordance with Priorities Regulation No. 3, as amended, with the terms of which the undersigned is familiar. Furthermore, the undersigned certifies that the fabrics hereby ordered will be used in the manufacture of male work clothing or otherwise disposed of only as permitted in General Preference Order No. M-207 and/or Schedule I thereto.

(Name of work clothing processor)	(Address)
By	
(Signature and title of duly authorized officer)	(Date)

Such endorsement shall constitute a representation to the War Production Board and the supplier with whom the contract or purchase order is placed that such contract or purchase order is duly rated in accordance herewith.

Each person applying ratings must maintain at his regular place of business all documents, including purchase or manufacturing orders, preference rating orders and certificates, upon which he relies as entitling him to apply or extend such ratings, segregated and available for inspection by representatives of the War Production Board, or filed in such manner that they can be readily segregated and made available for such inspection.

(f) *Restrictions on inventory.* In addition to the restrictions on inventory contained in Priorities Regulation No. 1 (§ 944.14):

(1) No manufacturer of the following garments of male work clothing:

Waistband overalls or dungarees.
Bib overalls.
Overall jumpers or coats.
One-piece work suits.
Work pants other than of cotton moleskin or cotton corduroy.
Work breeches.
Work shirts other than of cotton flannel or cotton suede.
Work aprons.
Doctors', dentists', internes' or orderlies' gowns, suits or coats.
Druggists' coats.
Slaughter house workers' coats.
Butchers', fish handlers' or dairy workers' coats or apron sets.
Cooks' coats.
Safety garments as defined in paragraph (a) (1).

shall after August 22, 1942 hold in his inventory a total quantity of work clothing textiles for such garments, such textiles in process of manufacture into such garments and such completed garments in excess of such a total quantity as will be delivered out of his inventory within 150 days after the receipt of any delivery of such textiles to his inventory.

(2) No manufacturer of waistbands or trouser curtains and no converter or finisher of work clothing textiles shall after August 22, 1942, hold in his inventory any work clothing textiles, except cotton suedes, cotton corduroys and cotton moleskins, in excess of the total quantity of such textiles, including such textiles in process, which will be delivered out of his inventory within 90 days.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3226; Filed, March 1, 1943; 11:32 a. m.]

PART 3045—COTTON TEXTILES FOR WORK APPAREL

[Schedule II[1] to General Preference Order M-207 as Amended March 1, 1943]

WORK GLOVES

§ 3045.3 *Schedule II to General Preference Order M-207*—(a) *Definitions.* For the purposes of this schedule: (1) "Work gloves" shall mean any type of hand covering designed for workers' wear while engaged in their occupations and of the type customarily sold as such.

(2) "Work glove textiles" shall mean cotton sewing thread and the following cotton fabrics, either in the gray, regular, converted or processed state, including seconds, but excluding all cuts of less than 20 yards as produced in the ordinary course of manufacture, and including pro rata widths of like count and weight, provided such other width fabrics, wider or narrower, are produced for the purpose of utilizing maximum productive width of looms or augmenting the supply of square yardage in fabric widths suitable for economical use in the manufacture of work gloves:

Mitten flannel:
- 6 ounces per linear yard, 4 harness, 34 inches.
- 7 ounces per linear yard, 4 harness, 34 inches.
- 8 ounces per linear yard, 4 harness, 34 inches.
- 9 ounces per linear yard, 4 harness, 34 inches.
- 10 ounces per linear yard, 4 harness, 34 inches.
- 10 ounces per linear yard, 5 harness, 34 inches.
- 12 ounces per linear yard, 5 harness, 34 inches.
- 12 ounces per linear yard, 4 harness, 34 inches.
- 13 ounces per linear yard, 5 harness, 34 inches.

Colored stripe mitten flannel:
- 5½ ounces per linear yard, 4 harness, 34 inches.
- 5½ ounces per linear yard, 4 harness, 37 inches.
- 6 ounces per linear yard, 4 harness, 34 inches.
- 7 ounces per linear yard, 4 harness, 34 inches.
- 8 ounces per linear yard, 4 harness, 34 inches.
- 9 ounces per linear yard, 4 harness, 34 inches.

Knitted jersey:
- 8 ounces per square yard, partially napped, for duplexing only.

Knitted jersey—Continued.
- 9 ounces per square yard, plain knit, minimum 22 gauge.
- 10½ ounces per square yard, plain knit and cut presser, cut presser minimum 20 gauge.
- 13 ounces per square yard, plain knit and cut presser, cut presser minimum 20 gauge.

Cotton tubing:
- 12 yards to pound—2¼ inches wide.
- 15 yards to pound—not over 2 inches wide.
- 17 yards to pound—not over 1¾ inches wide.

Twill:
- 37" 84 to 88/42 to 44—2.85 yard.

Sheeting:
- 40" 44/40—5.50 yard.

Print cloth:
- 38½" 44/40—8.20 yard.
- 38½" 60/48—6.25 yard.

Osnaburg:
- 40" 32/28—3.55 yard.

(3) "Work glove processor" shall mean:

(i) A person who purchases work glove textiles for manufacturing, or to be manufactured for his account, into work gloves for sale or rental, and any Federal, state, county or municipal institution engaged in the manufacture of work gloves,

(ii) The converter or finisher of work glove textiles who bleaches, finishes, or processes work glove textiles for sale to a processor of work gloves as defined in paragraph (a) (3) (i).

(4) "Inventory" shall mean the total quantity of work glove textiles, such textiles in process of manufacture into work gloves and work gloves owned by any work glove processor and held by him in

[1] NOTE: The item "print cloth" was added March 1, 1943.

any mill, warehouse, place of storage or manufacturing plant.

(b) *Assignment of preference rating.* Purchase or manufacturing orders for work glove textiles placed by work glove processors are hereby assigned a preference rating of A–2.

(c) *Application of preference rating.* Any work glove processor, in order to apply the preference rating assigned by paragraph (b) to deliveries of materials to him, must endorse on or attach to each purchase or manufacturing order placed by him to which the rating is applied, a certification in the following form, signed manually or as provided in Priorities Regulation No. 7 (§ 944.27) by an official duly authorized for such purpose:

The undersigned purchaser hereby certifies to the seller and the War Production Board that he is entitled to apply the preference rating indicated opposite the items shown on the attached purchase order and that such application is in accordance with Priorities Regulation No. 3, as amended, with the terms of which the undersigned is familiar. Furthermore, the undersigned certifies that the fabrics hereby ordered will be used in the manufacture of work gloves or otherwise disposed of only as permitted in General Preference Order M–207 and/or Schedule II thereto.

(Name of work glove processor)	(Address)
By (Signature and title of duly authorized officer)	(Date)

Such endorsement shall constitute a representation to the War Production Board and the supplier with whom the contract or purchase order is placed that such contract or purchase order is duly rated in accordance herewith.

Each person applying ratings must maintain at his regular place of business all documents, including purchase or manufacturing orders, preference rating orders and certificates, upon which he relies as entitling him to apply or extend such ratings, segregated and available for inspection by representatives of the War Production Board, or filed in such manner that they can be readily segregated and made available for such inspection.

(d) *Restriction on inventory.* In addition to the restrictions on inventory contained in Priorities Regulation No. 1 (§ 944.14):

(1) No work glove manufacturer shall after August 22, 1942, hold in his inventory a total quantity of work glove textiles or work gloves, except such textiles as are intended for the manufacture of work gloves for seasonal use, and such work gloves for seasonal use, in excess of such total quantity as will be delivered out of his inventory within 90 days.

(2) No converter or processor of work glove textiles who bleaches, finishes or processes work glove textiles for resale to a manufacturer of work gloves shall after August 22, 1942, hold in his inventory a total quantity of work glove textiles in excess of such a total quantity as will be delivered out of his inventory within 60 days after the receipt of any delivery of such textiles to his inventory.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3227; Filed, March 1, 1943; 11:33 a. m.]

PART 3045—COTTON TEXTILES FOR WORK APPAREL

[Schedule III to General Preference Order M–207, as Amended March 1, 1943]

HOSPITAL CLOTHING

§ 3045.4 *Schedule III to General Preference Order M–207*—(a) *Definitions.* For the purposes of this schedule:

(1) "Hospital clothing" shall mean any patients' gown, or uniforms for nurses or hospital personnel, of the type customarily sold as such, but shall not include any "male work clothing" as defined in Schedule I to General Preference Order M–207.

(2) "Hospital clothing textiles" shall mean

(i) Cotton sewing thread and the following fabrics made wholly of cotton either in the gray, original mill or regular finish, or converted state, including seconds but excluding all cuts of less than 20 yards as produced in the ordinary course of fabric manufacture:

Carded sheetings:
36" 48/48, 2.85 yards.
37" 48/48, 4.00 yards.
40" 48/44, 3.75 yards.
40" 48/44, 3.25 yards.
40" 48/48, 2.85 yards.
40" 56/60, 3.60 yards.
40" 64/68, 3.15 yards.
Carded print cloth:
39" 64/60, 4.25 yards.
39" 68/72, 4.75 yards.
39" 80/80, 4.00 yards.
40" 80/92, 3.50 yards.
Carded drills:
30" 72/48, 2.85 yards.
Carded jeans:
38" to 39", 96/64, 2.85 yards.
Carded or combed poplins:
37" to 38", 2.50 to 4.00 yards.
Carded or combed broadcloths:
37" to 38", 3.25 to 4.20 yards.
Carded colored chambrays—plains and fancies:
35" to 37", 80 to 84 Sley, 60 to 64 Pick, 3.50 to 3.80 yards.
Seersuckers (carded):
36" to 40", 2.90 to 4.50 yards.
Frock cloth (carded):
36" to 39", 2.00 to 2.35 yards.

(ii) Pro rata widths of like count and weight to the above constructions.

(3) "Hospital clothing processor" shall mean:

(i) A person who purchases hospital clothing textiles for manufacturing, or to be manufactured for his account, into hospital clothing for sale or rental, and any Federal, state, county or municipal institution engaged in the manufacture of hospital clothing,

(ii) The converter or finisher of hospital clothing textiles who bleaches, finishes or processes hospital clothing textiles for sale to a processor of hospital clothing as defined in paragraph (a) (3) (i).

(4) "Inventory" shall mean the total quantity of hospital clothing textiles or of hospital clothing textiles in process of manufacture into hospital clothing or of hospital clothing owned by any hospital clothing processor and held by him in any mill, warehouse, place of storage or manufacturing plant.

(b) *Assignment of preference rating.* Purchase or manufacturing orders for hospital clothing textiles placed by hospital clothing processors are hereby assigned a preference rating of A–2.

(c) *Application of preference rating.* Any hospital clothing processor, in order to apply the preference rating assigned by paragraph (b) to deliveries of material to him, must endorse on or attach to each purchase or manufacturing order placed by him to which the rating is applied, a certificate in the following form, signed manually or as provided in Priorities Regulation No. 7 (§ 944.27) by an official duly authorized for such purpose:

CERTIFICATE

The undersigned purchaser hereby certifies to the seller and the War Production Board that he is entitled to apply the preference rating indicated opposite the items shown on the attached purchase order and that such application is in accordance with Priorities Regulation No. 3 as amended, with the terms of which the undersigned is familiar. Furthermore, the undersigned certifies that the fabrics hereby ordered will be used in the manufacture of hospital clothing or otherwise disposed of only as permitted in General Preference Order No. M–207 and/or Schedule III thereto.

(Name of hospital clothing processor)	(Address)
By (Signature and title of authorized officer)	(Date)

Such endorsement shall constitute a representation to the War Production Board and the supplier with whom the contract or purchase order is placed that such contract or purchase order is duly rated in accordance herewith.

Such person applying ratings must maintain at his regular place of business all documents, including purchase or manufacturing orders, preference rating orders and certificates upon which he relies as entitling him to apply or extend such ratings, segregated and available for inspection by representatives of the War Production Board, or filed in such manner that they can be readily segregated and made available for such inspection.

(d) *Restrictions on inventory.* In addition to the restrictions on inventory contained in Priorities Regulation No. 1 (§ 944.14):

(1) No manufacturer of hospital clothing shall after November 21, 1942, hold in his inventory a total quantity of hospital clothing textiles for such garments, such textiles in process of manufacture into such garments, and such completed garments in excess of such a total quantity as will be delivered out of his inventory within ninety days.

(2) No converter or finisher of hospital clothing textiles who purchases gray goods for bleaching, finishing, or processing into hospital clothing textiles for sale to a hospital clothing manufacturer shall after November 21, 1942, hold in his inventory any hospital clothing textiles in excess of the total quantity of such textiles, including such textiles in process, which will be delivered out of his inventory within ninety (90) days.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. D. Doc. 43-3228; Filed, March 1, 1943; 11:33 a. m.]

PART 3045—COTTON TEXTILES FOR WORK APPAREL

[Schedule IV to General Preference Order M-207]

WOMEN'S WORK CLOTHING

Section 3045.5 *Schedule IV to General Preference Order M-207* is hereby amended to read as follows:

§ 3045.5 *Schedule IV to General Preference Order M-207*—(a) *Definitions.* For the purposes of this schedule:

(1) "Women's work clothing" shall mean any garment designed especially for and to be sold as female workers' wear while engaged in industrial and agricultural occupations, of the following types, manufactured subject to the provisions of Limitation Order L-85 and the special restrictions hereinbelow set forth applicable to such types:

(i) Work dress of wrap around or coat style manufactured in accordance with the following restrictions:

(*a*) No pockets other than two plain pockets.

(*b*) No flaps on pockets.

(*c*) No contrasting trimming, stitching, binding or piping.

(*d*) No embroidered trim.

(*e*) No pleated, shirred or tucked trimming.

(ii) Work jackets, work shirts, work overalls, work coveralls, work slacks, and bench type work aprons, manufactured in accordance with the following restrictions:

(*a*) No pockets other than two plain pockets.

(*b*) No flaps on pockets.

(*c*) No contrasting trimming, stitching, binding or piping.

(*d*) No embroidered trimming.

(e) No pleated, shirred or tucked trimming.

(f) No cuffs or simulated cuffs.

(iii) Work caps or head coverings of cap or triangular scarf design made only to meet safety needs or to conform with safety codes.

(iv) Work skirts of a plain or not-more-than-six gored design manufactured in accordance with the following restrictions:

(*a*) No pockets other than one plain pocket.

(*b*) No flaps on pocket.

(*c*) No contrasting stitching, trimming, binding or piping.

(*d*) No embroidered trim.

(2) "Women's work clothing textiles" shall mean

(i) Cotton sewing thread and the following fabrics made wholly of carded cotton, either in the gray, original mill, regular finish, or converted state, including seconds, but excluding cuts of less than 20 yards as produced in the ordinary course of fabric manufacture;

Denims:
White back, 28" to 29" width basis:

Regular finish weight basis	*Shrunk weight basis*
2.20 yard	2.00 yard
3.00 yard	2.70 yard

Denims:
Light weight, 35" to 36", 2.70 yard.
Pin checks:
38", 2.65 yard.
Sheetings, Gray:
40" 48/48, 2.85 yard.
Twills, Gray:
37", 2.35 yard.
37", 2.85 yard.
Print cloth, Gray:
38½, 64 x 60, 5.35 yard (for use only in work shirts, work caps and head coverings).

(ii) Pro rata widths of same count and weight to the above constructions.

(3) "Women's work clothing processor" shall mean:

(i) A person who purchases women's work clothing textiles for manufacturing, or to be manufactured for his account, into women's work clothing for sale or rental, and any Federal, state, county or municipal institution engaged in the manufacture of women's work clothing,

(ii) The converter or finisher of women's work clothing textiles who bleaches, finishes or processes women's work clothing textiles for sale to a processor of women's work clothing as defined in paragraph (a) (3) (i).

(b) *Assignment of preference rating.* Purchase or manufacturing orders for women's work clothing textiles placed by women's work clothing processors are hereby assigned a preference rating of A-2.

(c) *Revocation of preference rating heretofore assigned.* The preference rating of A-2 assigned by this schedule as heretofore issued to orders for certain textile fabrics placed by women's work clothing processors is hereby revoked with respect to the undelivered portions of orders for any such textile fabrics which do not fall within the definitions of "women's work clothing textiles" as herein contained.

(d) *Restrictions on use of textiles secured pursuant to rating.* Notwithstanding the provisions of paragraph (c) (1) of General Preference Order M-207, no women's work clothing processor shall use or process any textile fabrics secured pursuant to the application of the rating assigned by this schedule as heretofore or as presently issued:

(1) In the manufacture of any garments which do not fall within the definition of "women's work clothing" as herein contained, except that any such fabrics which have on March 1, 1943, been cut may be manufactured into garments falling within such definition as contained in this schedule as heretofore issued; or

(2) By dyeing, printing or finishing them in any shades other than bleached or plain shades; or

(3) In the manufacture of any women's work clothing which is not visibly stamped, or labeled by machine stitching, on the outside of the garment (or in the center inside neck) with the following marking:

Manufactured for use by female industrial and agricultural workers.

(e) *Application of preference rating.* Any women's work clothing processor in order to apply the preference rating assigned by paragraph (b) to deliveries of material to him, must endorse on or attach to each purchase order placed by him to which the rating is applied, a certificate in the following form, signed manually or as provided in Priorities Regulation No. 7 (§ 944.27) by an officer duly authorized for such purpose:

CERTIFICATION

The undersigned purchaser hereby certifies to the seller and the War Production Board that he is entitled to apply the preference rating indicated opposite the items shown on the attached purchase order and that such application is in accordance with Priorities Regulation No. 3, as amended, with the terms of which the undersigned is familiar. Furthermore, the undersigned certifies that the fabrics hereby ordered will be used in the manufacture of women's work clothing or otherwise disposed of only as permitted in General Preference Order M-207 and/or Schedule IV thereto.

(Name of Purchaser)

By ---
(Signature and title of Officer)

(Address)

(Date)

(f) *Restrictions on inventory.* (1) No manufacturer of women's work clothing shall hold in his inventory a total quantity of women's work clothing textiles, such textiles in process of manufacture into women's work clothing and women's work clothing in excess of such a total quantity as will be delivered out of his inventory within 90 days.

(2) No converter or finisher of women's work clothing textiles shall hold in his inventory any women's work clothing textiles in excess of the total quantity of such textiles, including such textiles in process, which will be delivered out of his inventory within 90 days.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-3225; Filed, March 1, 1943; 11:33 a. m.]

PART 3144—WOODEN CONTAINERS FOR FRESH FRUITS AND VEGETABLES

[Limitation Order L-232]

The fulfillment of requirements for the defense of the United States has created shortages in the supplies of materials entering into the manufacture of wooden containers for defense, for private account and for export; and the following order is deemed necessary and

appropriate in the public interest and to promote the national defense:

§ 3144.1 *General Limitation Order L–232*—(a) *Definitions.* For the purpose of this order:

(1) "Wooden container" means any box, case, crate, hamper, round stave basket, splint basket, climax basket, till basket, or berry cup which (i) is made wholly or partially of lumber, veneer, or plywood, and (ii) is of a type customarily used for packing fresh fruits and vegetables for sale and/or shipment.

(2) "Hamper", "round stave basket", and "splint basket" have the same meanings as in rules and regulations [1] of The Secretary of Agriculture issued under the United States Standard Container Act of 1928.[2] "Climax basket", "till basket", and "berry cup" mean baskets and containers of the type subject to rules and regulations [3] of The Secretary of Agriculture issued under the United States Standard Container Act of 1916,[4] as amended.[5]

(b) *Restrictions.* On and after March 4, 1943,

(1) No person shall commercially manufacture or assemble any wooden container which does not conform with the specifications of Schedule A of this order;

(2) No person shall commercially manufacture any wooden parts designed for any wooden container which, when assembled, will not conform with those specifications;

(3) No manufacturer, dealer in or commercial user of wooden containers shall imprint, or cause to be imprinted or stamped, on wooden containers for fresh fruits or vegetables any names, words or figures not required by law, or dye, stain or otherwise color such containers. This restriction shall not prohibit the attachment of paper or other separate labels.

(c) *Exceptions.* The restrictions of paragraph (b) above shall not apply to:

(1) The manufacture or assembly of wooden containers by any person from wooden parts cut to size by him before March 4, 1943: *Provided,* Such manufacture or assembly is completed by May 31, 1943;

(2) The assembly of wooden containers by any person from cut-to-size wooden parts bought and received by him before April 1, 1943: *Provided,* Such assembly is completed by May 31, 1943;

(3) The manufacture or assembly of wooden containers, or the manufacture of wooden parts for wooden containers, to be delivered:

(i) To or for the account of the Army, the Navy, the Coast Guard, the Maritime Commission, the War Shipping Administration, or the Department of Agriculture (for Lend-Lease purposes): *Provided,* The government agency's specifications require wooden containers which do not comply with paragraph (b);

(ii) To any person for use in packing fresh fruits or vegetables for delivery to or for the account of such government agencies: *Provided,* The government agency's specifications require wooden containers which do not comply with paragraph (b): *And provided further,* Such person furnishes the container or container-parts supplier with a written certification in substantially the following form, signed by an authorized official, either manually or as provided in Priorities Regulation No. 7:

This is to certify that specifications of orders received by the undersigned from (designate government agency) require wooden containers not conforming with Order L–232. The material ordered herewith is for that purpose only.

Company_____
By_____
Title_____Date_____

Such certification shall constitute a representation to the supplier and to the War Production Board as to the truth of the facts stated therein. The supplier may rely upon such representation unless he has knowledge or reason to believe that it is not true.

(d) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of appeal.

(e) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction, may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(f) *Communications.* All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to War Production Board, Containers Division, Washington, D. C., Ref.: L–232.

(g) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the regulations of the War Production Board, as amended from time to time.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

SCHEDULE A—SPECIFICATIONS FOR WOODEN CONTAINERS

TABLE I—HAMPERS, BASKETS, BERRY CUPS

(a) Specifications for the types and dry capacities of permitted hampers, baskets, and berry cups are as follows:

Type (1)	Dry capacity (2)
1. Hampers	½, ⅝, 1 bu.
2. Round stave baskets	½, 1 bu.
3. Splint baskets (square-braid only)	8, 12, 16 qts.
4. Splint baskets (square-braid and slab only)	24 qts.
5. Climax baskets	4, 12 qts.
6. Till baskets (oblong only)	2, 4 qts.
7. Till baskets (square only)	3 qts.
8. Berry cups	½, 1 pt., 1 qt.

TABLE II—OTHER WOODEN CONTAINERS

(a) Specifications for the inside dimensions of wooden containers, other than those subject to Table I above, are set out under paragraph (d) below. "Inside depth" and "inside width" of the container are the width and length, respectively, of the end pieces or end frames, exclusive of any cleats. "Inside length" of the container shall be its outside length minus the combined thickness of both ends and of the center piece (if any).

(b) An optional variation of up to ⅛" under or up to ¼" over the specified inside lengths is allowed. A tolerance of up to ⅛", plus or minus, in the specified inside depths and inside widths is allowed for shrinkage and mismanufacture.

(c) No cleats may be so used as to increase the inside dimensions, except where an asterisk appears in column (1) below, in which event cleats ⅜", ½", ⅝", $1\frac{1}{16}$", or ¾" thick may be so used, and except where otherwise specified in any footnote under paragraph (d) below.

(d) Specifications for wooden containers subject to this table are as follows (the designation in column (1) is merely for identification and shall not be construed as restricting usage):

Usual name (1)	Inside depth (inches) (2)	Inside width (inches) (3)	Inside length (inches) (4)
1. Apple box	#10½	11½	18.
2. Apple box	11	12½	16.
3. Apple box	11	13	17.
4. Apricot lug	4⅝	12½	16.
5. Artichoke box	9¾	11	20⅝.
*6. 4-basket crate	4¼	16	16.
*7. 4-basket crate	4½	16	16.
*8. 4-basket crate	4¾	16	16.
*9. 4-basket crate	5	16	16.
*10. Fruit box	3	11½	16.
*11. Fruit box	4½	11½	16.
*12. Fruit box	5½	11½	16.
13. Lug box	6⅞	13½	16.
*14. L. A. lug box	5¾	13½	16.
*15. Lug box	4¾	13½	16.
*16. Lug box	3¾	13½	16.
17. Berry crate	2¾	16½	21½.
18. Berry crate	2⅜	13½	18.
19. Berry crate	3½ or 3⅜	13½	18.
20. Berry crate	9 or 9½	9	18.
21. Berry crate	7½	11	22.
22. Berry crate	9	11	22.
23. Berry crate	11	11	22.
*24. Cherry lug	3¾	11½	14.
*25. Cherry, apricot, prune lug	3¾	10½	14.
26. Cranberry box	9¼	10½	15.

*The inside depth of this box may be increased up to 11½", either by the addition of cleats of any thickness or by the use of a solid end.

[1] U. S. Department of Agriculture Service and Regulatory Announcements No. 116, as amended.

[2] 45 Stat. 685; 15 U.S.C. 257.

[3] U. S. Department of Agriculture Service and Regulatory Announcements No. 104, revised.

[4] 39 Stat. 673; 15 U.S.C. 251.

[5] 45 Stat. 930; 15 U.S.C. 251.

Usual name (1)	Inside depth (inches) (2)	Inside width (inches) (3)	Inside length (inches) (4)
27. Cranberry box	9½	11	13 15/16.
28. Fig box	1⅞	11	16.
29. Fig crate	1⅞	16	16.
30. Lemon box	9⅞	13	25.
31. Lime box	6	12	12.
32. California orange box	11½	11½	24.
33. Florida orange box	12	12	24.
34. ½ Florida orange box	9½	9½	19.
35. Pear box	8½	11½	18.
36. ½ Pear box	5½	11½	18.
*37. Pear lug	6½	13½	20⅝.
38. Pineapple crate	10½	12	33.
39. California asparagus crate	10½	9 or 9½ top; 11 bottom	17 9/16 or 18.
40. Eastern asparagus crate	12⅛	9¼ top; 10½ bottom	17¼.
41. Avocado box	4½	13½	16.
42. Pony cantaloupe crate	11	11	22.
43. Standard cantaloupe crate	12	12	22.
44. Jumbo cantaloupe crate	13	13	22.
45. Standard honey dew crate	6¾	16	22.
46. Jumbo honey dew crate	7¾	16	22.
47. Persian melon crate	6¾	12	22.
48. Persian melon crate	7¾	14	22.
49. Cauliflower crate	8½	18	21⅝ to 22.
50. L. I. cauliflower crate	12⅛	14½	23.
51. Celery crate	20	11	20⅝.
52. Celery crate	9¾	16	20⅝.
53. Celery crate	5⅞	18	12⅛.
54. Celery crate, hearts	8	8	12⅝.
55. L. A. crate	13	17½	21⅝ to 22.
56. Special L. A. crate	13¾	17½	21⅝ to 22.
57. ½ Vegetable crate	9	13	21⅝ to 22.
58. Vegetable crate	8	12	22.
59. Eastern lettuce crate	7½	16	19.
60. Pepper crate	13⅜	11	22.
61. Bushel box	12	12	15.
62. Rhubarb box	9	11½	24⅝.
63. Rhubarb box	3 13/16	11½	24⅝.
64. Sweet potato crate	12 7/16	12 3/16 top; 13 3/16	14 15/16 top. 15 15/16 bottom.

*The inside depth of this box may be increased up to 11½", either by the addition of cleats of any thickness or by the use of a solid end.

[F. R. Doc. 43-3234; Filed, March 1, 1943; 11:33 a. m.]

PART 3199—MALTED GRAINS AND MALT SYRUPS

[Conservation Order M-288]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of malted grains and malt syrups for defense, for private account and for export, and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3199.1 *Conservation Order M-288*—(a) *Definitions.* For the purpose of this order:

(1) "Brewer" means any person engaged in the commercial manufacture of malt beverages in the continental United States.

(2) "Malt beverage" means beer, ale, stout, porter, near-beer, and beverages of a similar kind, made by alcoholic fermentation of malted grain with or without other food products, and with hops or hop extracts.

(3) "Malted grain" means barley, wheat, rye, or any other grain, which has been steeped in water, germinated, and dried.

(4) "Malt syrup" means any syrup or extract derived from malted grain, in whole or in part.

(5) "Minimum carload" means a rail shipment of such minimum quantity as the Office of Defense Transportation may establish as the minimum permitted carload in General Order 18, Revised (Code of Federal Regulations, Title 49, Chapt. II, Part 500, subpart C, 7 F.R.8337), as it may be amended or modified from time to time.

(6) "Use" of malted grain, means infusion into a mash; of malt syrup, it means introduction into the brewing process.

(7) "Quota period" means March 1 through May 31, 1943, inclusive, and each following three-month period.

(8) "Base period" means a period beginning and ending one year prior to the beginning and ending of the corresponding quota period.

(b) *Restrictions on use.* (1) No brewer, except as permitted in paragraph (b) (2), shall use during any quota period, in the manufacture of malt beverages, more than 93% of the quantity of malted grain, and more than 93% of the quantity of malt syrup, which he used for such purpose during the corresponding base period.

(2) Notwithstanding the limitations of paragraph (b) (1), any brewer whose total permitted use of malted grain, calculated pursuant to paragraph (b) (1), during the twelve calendar months beginning March 1, 1943, would not exceed 70,000 bushels, may use:

(i) During the twelve calendar months beginning March 1, 1943, not over 70,000 bushels of malted grain.

(ii) During any quota period, not over 100% of the malted grain which he used during the corresponding base period: *Provided, however,* That the use quota of a brewer having more than one plant shall be determined pursuant to paragraph (b) (1), and not this paragraph, unless the combined quotas of all his plants is less than 70,000 bushels.

(3) Except for the purpose of determining whether a brewer's permitted use of malt syrup and malted grain is governed by paragraph (b) (1) or paragraph (b) (2), the quotas assigned to a brewer having more than one plant shall be deemed assigned to each plant separately.

(c) *Restrictions on delivery.* (1) Except as permitted in paragraph (c) (2), no brewer may accept delivery of malted grain or malt syrup if his inventory is or by reason of such delivery would become in excess of the maximum permitted by paragraph (d).

(2) Nothing in this order shall be construed to require delivery of less than a minimum carload. Notwithstanding the limitations of paragraph (c) (1), any brewer having in his possession or under his control less than his permitted inventory of malted grain may accept delivery of a minimum carload of such grain.

(d) *Restrictions on inventory.* (1) On and after March 1, 1943, and except as authorized in paragraphs (c) (2), (d) (2), (d) (3), and (d) (4), no brewer shall permit his inventory of malted grain or brewer's malt syrup to exceed at any time 10% of the quantity of each such product used by him in the manufacture of malt beverages during 1942.

(2) Notwithstanding the restrictions of paragraph (d) (1), any brewer shall be permitted an inventory of malted grain not exceeding 4,000 bushels.

(3) On and after March 1, 1943, notwithstanding the restrictions of paragraph (d) (1), a brewer who is also engaged in the business of producing malted grain or brewer's malt syrup shall be permitted an inventory of each of such products not exceeding at any time during any month the maximum inventory of each of such products which he maintained at any time during the corresponding month of 1942.

(4) Any brewer having an inventory in excess of that permitted by this order is not required by this order to dispose of the excess and may retain it and use it at any time as permitted in paragraph (b).

(e) *Transfer of quotas.* Use and inventory quotas may be carried over from one quota period to another quota period only with the specific permission of the Director General for Operations. Application for such permission shall be made by letter setting forth the pertinent facts, the relief requested, and the reasons why such relief should be granted.

(f) *Existing contracts.* The fulfillment of existing contracts for the sale of malted grains and brewer's malt syrup is permissible only to the extent that such fulfillment does not violate the quota or inventory restrictions imposed by this order.

(g) *Miscellaneous provisions*—(1) *Applicability of regulations and orders.* This order and all transactions affected thereby are subject to all applicable provisions of the regulations and orders of the War Production Board, as amended from time to time.

(2) *Reports.* All manufacturers of malted grain and brewer's malt syrup shall file with the Beverages and Tobacco

Division, War Production Board, Washington, D. C., a monthly report of production and disposition of such products on Form PD–816. The first reports submitted pursuant to the requirements of this paragraph shall cover January and February, 1943 operations, and shall be filed on or before March 10, 1943. In addition, all persons affected by this order shall file such other reports as the Director General for Operations may from time to time require.

(3) *Records.* Every person to whom this order applies shall keep and preserve for not less than two years accurate and complete records concerning inventories, production, usage, and sales.

(4) *Audit and inspection.* All records required to be kept by this order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(5) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(6) *Communications.* All communications concerning this order shall, unless otherwise directed, be addressed to the Beverages and Tobacco Division, War Production Board, Washington, D. C., Ref. M–238.

(7) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

Issued this 1st day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43–3235; Filed, March 1, 1943; 11:32 a. m.]

Chapter XI—Office of Price Administration

PART 1340—FUEL

[MPR 137,[1] Amendment 25]

PETROLEUM PRODUCTS SOLD AT RETAIL

A statement of the considerations involved in the issuance of this amendment is issued simultaneously herewith and has been filed with the Division of the Federal Register.*

In § 1340.91, a new paragraph (t) is added as set forth below:

§ 1340.91 *Appendix A: Maximum prices for petroleum products sold at retail establishments.* * * *

(t) (1) *Baltimore, Maryland.* Within the corporate limits of the City of Baltimore, Maryland the maximum price for sellers at retail establishments of kerosene, No. 1 fuel oil and range oil shall be 12.7 cents per gallon.

(2) *Washington, D. C.* Within the Washington, D. C. tank wagon area the maximum price for sellers at retail establishments of kerosene, No. 1 fuel oil and range oil shall be 14.2 cents per gallon.

* * * * *

This Amendment No. 25 shall become effective the 26th day of February 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 26th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43–3135; Filed, February 26, 1943; 4:23 p. m.]

PART 1340—FUEL

[RPS 88,[1] Amendment 71]

PETROLEUM AND PETROLEUM PRODUCTS

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Price Schedule No. 88 is amended in the following respects:

1. Section 1340.159 (c) (1) (viii) (*a*) is amended to read as follows:

(*a*) The maximum prices at the receiving tank for black oils produced in the fields designated below shall be:

Field:	Price per barrel
Black Mountain	$0.55
Byron	.70
Circle Ridge	.65
Dallas and Derby	.55
Frannie, light	.85
Frannie, heavy	.62
Garland	$0.60
Grass Creek, heavy	.65
Hamilton Dome	.60
Hudson (Lander)	.725
Maverick Springs	.6625
Notches	.75
Oregon Basin	.65
Pilot Butte	.80
South Casper Creek	.65
Poison Spider	.65
Spindletop	.65
Shoshone	.65
Salt Creek, Tensleep	.8285
Sheep Creek	.65

2. Section 1340.159 (c) (1) (viii) (*b*) is hereby revoked.

This amendment shall become effective February 26, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 26th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43–3133; Filed, February 26, 1943; 4:23 p. m.]

PART 1340—FUEL

[RPS 88,[2] Amendment 78]

PETROLEUM AND PETROLEUM PRODUCTS

A statement of the considerations involved in the issuance of this amendment is issued simultaneously herewith and has been filed with the Division of the Federal Register.*

In § 1340.159 (c) (3), new subdivisions (xx) and (xxi) are added as set forth below:

§ 1340.159 *Appendix A: Maximum prices for petroleum and petroleum products.* * * * (c) *Specific prices.* * * * (3) *Distillate fuel oils.* * * *

(xx) *Baltimore, Maryland.* Within the corporate limits of the City of Baltimore, Maryland, maximum prices for kerosene, No. 1 fuel oil and range oil shall be as follows:

	Cents per gallon
F. o. b. terminals in bulk lots for delivery by tank car or motor transport	6.9
At the seller's yard for delivery into the buyer's tank wagons	7.15
Tank wagon deliveries to resellers	9.2
Tank wagon deliveries to consumers in quantities of 25 gallons or over	9.7
Tank wagon deliveries to consumers in quantities of less than 25 gallons	10.7

(xxi) *Washington, D. C.* Within the Washington, D. C. tank wagon area maximum prices for kerosene, No. 1 fuel oil and range oil shall be as follows:

	Cents per gallon
At the seller's yard for delivery into the buyer's tank wagons	8
Tank wagon deliveries to resellers	10.2
Tank wagon deliveries to consumers in quantities of 25 gallons or over	10.2
Tank wagon deliveries to consumers in quantities of less than 25 gallons	11.7

This Amendment No. 78 shall become effective the 26th day of February 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 26th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43–3136; Filed, February 26, 1943; 4:23 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 310 Under § 1499.3 (b) of GMPR]

B. B. CHEMICAL COMPANY

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1746. *Approval of maximum prices for sales of certain products manufactured by the B. B. Chemical Company, Cambridge, Massachusetts.* (a) The maximum prices for sales by the B. B. Chemical Company, Cambridge, Massachusetts of the following products manufactured by that company delivered prior to the effective date of this Order, shall be the prices set forth below:

Product:	Maximum price per gallon
93–7 cement	$4.75
25–10 cement	3.84

*Copies may be obtained from the Office of Price Administration.

[1] F.R. 3165, 3749, 4273, 4653, 4780, 4853, 5363, 5868, 5941, 6057, 6896, 7902, 8353, 8938, 8948, 9335, 10684, 11008, 11112, 11075; 8 F.R. 231, 232, 1226, 1586, 1799, 2120, 2152.

[1] 7 F.R. 1107, 1371, 1798, 1799, 2132, 2304, 2352, 2634, 2945, 3482, 3524, 3576, 3895, 3963, 4483, 4653, 4854, 4857, 5481, 5867, 5868, 5988, 5983, 6057, 6167, 6471, 6680, 7242, 7838, 8433, 8478, 9120, 9134, 9335, 9425, 9460, 9620, 9621, 9817, 9820, 10684, 11069, 11112, 11075; 8 F.R. 157, 232, 233, 857, 1227, 1260, 1457.

[2] 7 F.R. 1107, 1371, 1798, 1799, 2132, 2304, 2352, 2634, 2945, 3482, 3524, 3576, 3895, 3963, 4483, 4653, 5854, 4857, 5481, 5867, 5868, 5988, 5983, 6057, 6167, 6471, 6680, 7242, 7838, 8433, 8478, 8586, 8701, 8741, 8829, 8938, 8948, 9120, 9134, 9335, 9425, 9460, 9620, 9621, 9817, 9820, 10684, 11069, 11112, 11075; 8 F.R. 157, 232, 233, 857, 1227, 1260, 1457, 1312, 1318, 1642, 1799, 2023, 2105, 2267, 2119, 2334, 2349, 2273, 2350.

Product—Continued.	*Maximum price per gallon*
25-72 cement	$4.45
33-15 cement	3.93
10-32 Sealant	4.14
25-71 cement	4.80
25-7 lt. cement	4.45
1043 adhesive	3.44
10-63 cement	4.18

The above prices are for deliveries in five gallon drums, f. o. b. Cambridge, Massachusetts.

(b) All discounts, trade practices, and practices relating to the payment of transportation charges in effect during March 1942 on the sale of the most closely comparable product by the B. B. Chemical Company shall apply to each maximum price set forth in paragraph (a).

(c) The prices established by this order shall not be used as the basis for the calculation of maximum prices for the sale of the same or similar commodities under any maximum price regulation in which reference might be made to the prices established herein.

(d) This Order No. 310 may be revoked or amended by the Price Administrator at any time.

This order shall become effective February 26, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 26th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3134; Filed, February 26, 1943; 4: 23 p. m.]

PART 1300—PROCEDURE

[Procedural Reg. 9,[1] Amendment 4]

UNIFORM APPEAL PROCEDURE UNDER RATION ORDERS

A rationale accompanying this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Procedural Regulation 9 is amended in the following respects:

1. Section 1300.605 (c) is amended to read as follows:

(c) The State Director may, at the request of the appellant, order that a hearing be held on the appeal. The hearing shall be conducted by the State Director or a presiding officer designated by him. The presiding officer shall preside at the hearing, administer oaths and affirmations, and rule on the admission and exclusion of evidence.

2. Section 1300.605 (d) is renumbered as § 1300.605 (f) and a new § 1300.605 (d) is added to read as follows:

(d) Notice of any hearing to be held pursuant to this regulation shall be served on the respondent not less than three days prior to such hearing. The notice shall state the time and place of the hearing and the purpose for which the hearing is to be held.

3. Section 1300.605 (e) is renumbered as § 1300.605 (g) and a new § 1300.605 (e) is added to read as follows:

(e) Any hearing held pursuant to this regulation shall be conducted in such manner as will permit the respondent to present evidence and argument to the fullest extent compatible with fair and expeditious determination of the issues raised in the hearing. To this end:

(1) The respondent shall have the right to be represented by counsel of his own choosing.

(2) The rules of evidence prevailing in courts of law or equity shall not be controlling.

(3) The presiding officer, having due regard to the need for expeditious decision, shall afford reasonable opportunity for cross examination of witnesses.

4. Section 1300.611 (b) is amended to read as follows:

(b) *Region II.* New York: Binghamton, New York, Albany, Buffalo, Rochester, Syracuse; New Jersey: Camden, Newark, Trenton; Pennsylvania: Altoona, Harrisburg, Philadelphia, Pittsburgh, Scranton, Williamsport; Maryland: Baltimore; Delaware: Wilmington; Washington, D. C.: Washington, D. C.

5. Section 1300.611 (h) is amended to read as follows:

(h) *Region VIII.* Arizona: Phoenix; California: Fresno, Los Angeles, San Francisco, San Diego; Nevada: Reno; Oregon: Portland; Washington: Seattle.

This amendment shall become effective March 5, 1943.

(Pub. law 507, 77th Cong.; W.P.B. directive No. 1, 7 F.R. 562; E.O. 9125, 7 F.R. 2719)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3172; Filed, February 27, 1943; 11:52 a. m.]

PART 1315—RUBBER AND PRODUCTS AND MATERIALS OF WHICH RUBBER IS A COMPONENT

[Ration Order 1A,[1] Amendment 14]

TIRES, TUBES, RECAPPING AND CAMELBACK

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

Sections 1315.201 (a) (32) and 1315.807 (a) are revoked; §§ 1315.151 and 1315.1198 are amended, as follows:

§ 1315.151 *Territorial limitations.* Ration Order No. 1A shall be effective throughout the forty-eight states of the United States and the District of Columbia.

§ 1315.1198 *Effective date of Ration Order No. 1A.* (a) Ration Order No. 1A (§§ 1315.151 to 1315.1198, inclusive) shall become effective December 1, 1942.

(b) Ration Order No. 1A (§§ 1315.151 to 1315.1198, inclusive) supersedes War Production Board Supplementary Order No. M-15-c, as amended, and the revised tire rationing regulations, as amended: *Provided, however,* That any violations which occurred or rights or liabilities which have arisen prior to the effective date of this Ration Order No. 1A shall be governed by the orders, regulations, and amendments thereto, in effect at the time such violations occurred or such rights or liabilities arose: *And provided, further,* That the revised tire rationing regulations, as amended, shall remain in full force and effect in the territories and possessions of the United States until superseded by regulations or orders issued by the Office of Price Administration.

This amendment shall become effective March 1, 1943.

(Pub. Law No. 671, 76th Cong. as amended by Pub. Laws 89, 421 and 507, 77th Cong.; E.O. 9125, 7 F.R. 2719, issued April 7, 1942, W.P.B. Dir. No. 1, 7 F.R. 562, Supp. Dir. No. 1Q, 7 F.R. 9121)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3173; Filed, February 27, 1943; 11:52 a. m.]

PART 1394—RATIONING OF FUEL AND FUEL PRODUCTS

[Ration Order 5C,[1] Amendment 26]

MILEAGE RATIONING: GASOLINE REGULATIONS

A rationale accompanying this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Ration Order 5C is amended in the following respects:

§ 1394.8206b (a) (2) is amended to read as follows:

(a) Every distributor shall deposit in his account all gasoline coupons or other evidences (including checks) received by him: *Provided,* That a distributor shall not deposit:

* * * * *

(2) Any Class A coupon before it has become valid or more than fifteen (15) days after the date of expiration of such coupons, except that Class A book coupons numbered "3" may be deposited on or before March 20, 1943.

This amendment shall become effective March 5, 1943.

(Pub. Law 671, 76th Cong.; as amended by Pub. Laws 89, 421, 507, 77th Cong.; W.P.B. Dir. No. 1, Supp. Dir. No. 1Q, 7 F.R. 562, 9121; E.O. 9125, 7 F.R. 2719)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3174; Filed, February 27, 1943; 11:52 a. m.]

PART 1394—RATIONING OF FUEL AND FUEL PRODUCTS

[Ration Order 14]

FIREWOOD

Firewood is the principal domestic heating fuel in the States of Washington and Oregon and in the northern part of the State of Idaho. The rationing of fuel oil has recently been extended to most of this area, and if labor and trans-

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 8796; 8 F.R. 856, 1838, 2030.

[1] 7 F.R. 9160, 9392, 9724.

[1] 7 F.R. 9135, 9787, 10147, 10016, 10110, 10338, 10706, 10786, 10787, 11009, 11070; 8 F.R. 179, 274, 369, 372, 565, 607, 1028, 1202, 1203, 1365, 1282, 1366, 1318, 1588, 1813, 1895, 2098, 2213, 2288.

portation shortages continue to affect the coal supply in the area, the demand for firewood will increase.

Higher wage scales and more attractive employment opportunities have drawn manpower from firewood and coal mining operations in the Pacific Northwest to shipbuilding and other war industries. At the same time, the influx of labor to meet the needs of industry has swelled the population, particularly in the urban centers. These factors have created a serious uncertainty as to the adequacy of firewood supplies, which uncertainty is aggravated by the demands of the armed forces for fuel. Although intensive efforts are being made, there can be no positive assurance of adequate supplies of coal and fuel oil, and the scarcity of those fuels will intensify the demand for firewood.

In view of these circumstances, it is desirable to obtain all pertinent data respecting the supply and distribution of firewood in the affected area through registration and monthly reports of dealers, and, at the same time, to permit the Regional Administrator, wherever he finds that conditions in a particular locality so require, to issue orders for the purpose of assuring a fair distribution of the available supply among consumers.

§ 1394.9201 *Rationing of firewood.* Under the authority vested in the Office of Price Administration and the Price Administrator by Executive Order No. 9125 issued by the President on April 7, 1942, by Directive No. 1 and Supplementary Directive No. 1–U of the War Production Board issued January 24, 1942, and February 10, 1943, respectively, Ration Order No. 14 (Firewood), which is annexed hereto and made a part hereof, is hereby issued.

AUTHORITY: § 1394.9201 issued under Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 597, 77th Cong.; Pub. Law 421, 77th Cong.; W.P.B. Dir. No. 1, 7 F.R. 562; Supp. Dir. No. 1–U, 8 F.R. 1835; E.O. 9125, 7 F.R. 2719.

RATION ORDER NO. 14—FIREWOOD

CONTENTS

SECTION 1.1 *This order applies only in "limitation area."* Except as otherwise expressly provided, this order applies only within the States of Washington and Oregon and the following counties in the State of Idaho: Boundary, Bonner, Kootenai, Benewah, Latah, Nez Perce, Shoshone, Clearwater, Lewis and Idaho (hereafter called the "limitation area").

SEC. 1.2 *Dealers required to register.* (a) Any person who customarily delivers a total of more than four (4) cords of firewood a month from any place or places within the Limitation Area to consumers within or without the limitation area, or from any place or places without the Limitation Area to consumers within the limitation area, is a dealer.

(b) Every dealer shall register, within the registration period fixed by the Regional Administrator, by filing a dealer registration certificate on Form OPA R–1404. The dealer shall furnish all the information required by the form and file the form, in duplicate, in person or by mail, with the district office of the Office of Price Administration for the area in which he has a place of business. Every dealer who delivers firewood into the limitation area from a place of business outside the limitation area shall register at the district office in the limitation area nearest to his place of business.

(c) Every dealer shall make a separate registration for each place of business in the limitation area from which deliveries of firewood are made and for each place of business outside the limitation area from which deliveries of firewood into the limitation area are made.

(d) Upon approval of the dealer's registration, one copy of the dealer registration certificate will be returned to him appropriately marked.

(e) No dealer may deliver firewood to any person unless he has properly filled in and filed a dealer registration certificate.

SEC. 1.3 *Dealers required to report.* On or before the fifth day of each month, beginning with the 5th day of April, 1943, every registered dealer shall file, in person or by mail, with the district office, or offices, at which he is registered, a report on Form OPA R–1408 furnishing the information for the preceding month required by the form.

SEC. 1.4 *Regional Administrator may establish delivery and other restrictions.* Whenever the Regional Administrator finds that conditions affecting the supply or distribution of firewood in a locality or localities in the limitation area so require, he may issue an order, effective in such locality or localities, and for such period, as may be stated in the order. Such orders may be issued from time to time and may contain any one or more of the following provisions:

(a) Prohibiting dealers from delivering firewood to any consumer, and consumers from accepting any delivery of firewood, where the consumer has in his possession more than thirty (30) days' requirements of firewood and other fuel for heating, hot water, or cooking purposes. The order shall not, however, prohibit any single delivery of firewood by means of a transportation facility, generally used in such delivery, which brings the total amount of fuel in the consumer's possession to more than thirty (30) days' (but not more than sixty (60) days') requirements;

(b) Allocating or giving priorities to deliveries of firewood, upon such conditions as he may designate;

(c) Directing that dealers accept orders for and deliver dry wood to the extent that they have dry wood on hand, before accepting orders for or making deliveries of green wood.

SEC. 1.5 *Certain government agencies not affected.* Nothing in this order or in any order issued by the Regional Administrator shall be construed to limit the quantity of firewood which may be acquired by or for the account of:

(a) The Army, Navy, Maritime Commission, Panama Canal, Coast and Geodetic Survey, Coast Guard, Civil Aeronautics Authority, National Advisory Commission for Aeronautics, Office of Scientific Research and Development, and Office of Lend-Lease Administration, of the United States; or

(b) Any government agency or other person acquiring firewood for export to and for consumption or use in any foreign country.

SEC. 1.6 *Prohibited acts.* (a) Regardless of any agreement or commitment, no person shall deliver or receive a delivery of firewood except in accordance with this order and with any order issued hereunder by the Regional Administrator.

(b) No person shall make any false or misleading statement or entry in any document or record required to be filed or kept under this order or any order issued hereunder by the Regional Administrator.

(c) No person shall offer, solicit, attempt or agree to do any act in violation of this order or any order issued hereunder by the Regional Administrator.

SEC. 1.7 *Suspension orders.* Any person who violates this order or any order issued hereunder by the Regional Administrator may, by suspension order issued by the Administrator of the Office of Price Administration or the Regional Administrator, or under the authority of either of them, be prohibited from receiving any deliveries of, or selling or using or otherwise disposing of, any firewood or other rationed product or facility. Such suspension order shall be issued for such period as in the judgment of the Administrator or Regional Administrator, or of such person as either of them may designate for such purpose, is necessary or appropriate in the public interest and to promote the national security.

SEC. 1.8 *Terms explained.* (a) When used in this order, the term:

"Consumer" means any person who uses firewood or who acquires firewood for his own use;

"Dealer" means any person who customarily delivers a total of more than four (4) cords of firewood a month from any place or places within the Limitation Area to consumers within or without the Limitation Area, or from any place or places without the Limitation Area to consumers within the Limitation Area;

"Delivery" means any transfer of possession, directly or indirectly;

"Firewood" means any wood or wood products commonly known as firewood, including: forest cordwood, slabwood; mill ends, edgings or other millwaste; kindling wood, shavings, hogged fuel, and sawdust, including sawdust pressed into logs or bricks;

"Person" means any individual, corporation, partnership, association, or any other organized group of persons, or legal successor

or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of the foregoing;

"Regional Administrator" means the Regional Administrator of the Office of Price Administration for Region VIII.

(b) Where the context so requires, words in the singular shall include the plural, words in the plural shall include the singular, and the masculine gender shall include the feminine and neuter.

Effective Date

This ration order shall become effective March 1, 1943.

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3175; Filed, February 27, 1943; 11:52 a. m.]

PART 1395—NONFERROUS FOUNDRY PRODUCTS

[Rev. MPR 125,[1] Amendment 1]

NONFERROUS FOUNDRY PRODUCTS

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

A new paragraph (c) is added to § 1395.12 to read as set forth below:

§ 1395.12 *Applications for adjustment and petitions for amendment.* * * *

(c) *Petition for amendment of Maximum Price Regulation No. 125.*[2] Petitions for the amendment of Maximum Price Regulation No. 125 filed with the Office of Price Administration prior to February 1, 1943, may be treated by the Office of Price Administration as applications for adjustment under paragraph (a) of this section and, in appropriate cases, the Office of Price Administration may adjust any maximum price involved in such petition by an order effective as of May 11, 1942 or such subsequent date as the Price Administrator deems proper.

This amendment shall become effective this 5th day of March 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3176; Filed, February 27, 1943; 11:52 a. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 305 Under § 1499.3 (b) of GMPR]

STEEL & TIN PRODUCTS COMPANY

Approval of maximum prices for one gallon oyster cans.

For reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, Executive Order 9250, and § 1499.3 (b) of the General Maximum Price Regulation, *It is hereby ordered:*

§ 1499.1741 *Authorization to Steel & Tin Products Company for sale of one gallon oyster cans.* (a) On and after the effective date of this Order No. 305 specific authorization is hereby given to Steel & Tin Products Company, of Baltimore, Maryland, to sell and deliver one gallon oyster cans at a price not to exceed $71.30 per thousand packed in bags, and $72.80 per thousand packed in cartons, f. o. b. Baltimore, Maryland. Any person may buy and receive or offer to buy and receive such cans at such maximum prices from Steel & Tin Products Company.

(b) This Order No. 305 may be revoked or amended at any time by the Office of Price Administration.

(c) This order shall become effective March 1, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3177; Filed, February 27, 1943; 11:53 a. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 307 Under § 1499.3 (b) of GMPR]

GENERAL MILLS INC.

General Mills Inc., of Minneapolis, Minnesota made application for an authorization of a maximum price for the sale of tapioca flour per 100 pounds f. o. b. Minneapolis, Minnesota. Due consideration has been given to the application and it appears from the facts alleged that this commodity cannot be priced for the seller under § 1499.2(b) of the General Maximum Price Regulation. For reasons set forth in an opinion in support of this order, issued simultaneously herewith and filed with the Division of the Federal Register, and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, and in accordance with § 1499.3(b) of the General Maximum Price Regulation, *It is hereby ordered:*

§ 1499.1743 *Approval of a maximum price for sales of tapioca flour per 100 pounds f. o. b. New York, New York by General Mills Inc.* (a) General Mills Inc., Chamber of Commerce Building, Minneapolis, Minnesota, may sell and deliver, and any person may buy and receive from General Mills Inc., tapioca flour at a maximum price not to exceed $6.50 per 100 pounds.

(b) This Order No. 307 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 307 (§ 1499.1743) shall become effective March 1, 1943.

(Pub. Laws 421 and 729, 77th Cong., E.O. 9250, 7 F.R. 7871)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3178; Filed, February 27, 1943; 11:53 a. m.]

PART 1305—ADMINISTRATION

[General Ration Order 5,[1] Supplement 1]

FOOD RATIONING FOR INSTITUTIONAL USERS

§ 1305.203 *Average point values of processed foods, December use factor, and allowance per person*—(a) *Average point values (to be used in determining opening inventory and December use of processed foods).*

Class of processed foods	*Average point-value per pound*
Canned and bottled; dry peas, beans and lentils	11
Frozen	13
Dried and dehydrated fruits, soups and soup mixtures	18

(b) *December use factors (for determining percentage reduction of December use of rationed foods).*

Rationed food	*December use factor (percent)*
Processed foods	80
Sugar:	
1. If month used in determining the base under this order was after April 1942	100
2. If month used in determining the base was April 1942 or earlier	60
Coffee:	
1. If month used in determining the base under this order was after August 1942	100
2. If month used in determining the base was August 1942 or earlier	85

(c) *Allowance per person.*

Rationed food	*Allowance per person (points)*
Processed foods	.6
Sugar	.03
Coffee	.013

This supplement shall become effective 12:01 a. m. on March 1, 1943.

(Pub. Law 671, 76th Cong.; as amended by Pub. Laws 89, 421 and 507, 77th Cong.; E.O. 9125, 7 F.R. 2719, E.O. 9280, 7 F.R. 10179; W.P.B. Dir. 1, Supp. Dir. 1-E, 1-M, and 1-R, 7 F.R. 562, 2965, 7234, 9684, respectively; Food Dir. 5, 8 F.R. 2251)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3182; Filed, February 27, 1943; 3:54 p. m.]

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*Copies may be obtained from the Office of Price Administration.

[1] 8 F.R. 1271.

[2] 7 F.R. 3203, 3990, 7249, 8878, 8948, 10780; 8 F.R. 1271.

[1] 8 F.R. 2195, 2348.

PART 1305—ADMINISTRATION

[General Ration Order 5,[1] Amendment 2]

FOOD RATIONING FOR INSTITUTIONAL USERS

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

General Ration Order No. 5 is amended in the following respects:

1. Section 3.2 (f) (1) is amended to read as follows:

(1) The amount in pounds in each of the following classes is determined:

(i) Canned and bottled; dry peas, beans and lentils;

(ii) Frozen;

(iii) Dried and dehydrated fruits, soups and soup mixtures.

This amendment shall become effective 12:01 a. m., March 1, 1943.

(Pub. Law 671, 76th Cong.; as amended by Pub. Laws 89, 421 and 507, 77th Cong.; E.O. 9125, 7 F.R. 2719, E.O. 9280, 7 F.R. 10179; W.P.B. Dir. 1, Supp. Dir. 1–E, 1–M, and 1–R, 7 F.R. 562, 2965, 7234, 9684, respectively; Food Dir. 5, 8 F.R. 2251)

Issued this 27th day of February 1943.

PRENTISS BROWN,
Administrator.

[F. R. Doc. 43–3181; Filed, February 27, 1943; 3:54 p. m.]

PART 1351—FOOD AND FOOD PRODUCTS

[MPR 296,[1] Amendment 1]

FLOUR FROM WHEAT, SEMOLINA AND FARINA

A statement of the considerations involved in the issuance of this Amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.*

Subparagraphs III (b) and III (c) (iii) and paragraph V of § 1351.1666, *Appendix A*, are amended to read as set forth below:

§ 1351.1666 *Appendix A.* * * *

III. *Maximum prices for cake flour and other soft wheat bakery flour packed in 98 pound cotton bags, in carload quantities, delivered at specified destinations.* * * *

(b) At destinations in the following States: Kentucky, Tennessee, Alabama, Mississippi, Georgia, Florida, North Carolina, and South Carolina, the maximum prices for cake flour and other soft wheat bakery flour shall be $9.25 per barrel for cake flour, $8.10 per barrel for other soft wheat bakery flour with an ash content of .41% or less, and $7.60 per barrel for other soft wheat bakery flour with an ash content greater than .41%, plus such one of the following rail charges as results in the lowest delivered price: (i) the lowest carload proportional rail rate from Memphis, Tennessee; Cairo, Illinois; or Evansville, Indiana, to the destination; or (ii) the lowest carload proportional rail rate from Louisville, Kentucky, or Cincinnati, Ohio, to the destination, applicable on billing originating in Ohio and Indiana.

(c) At destinations in all states except those mentioned in paragraphs (a) and (b) hereof, the maximum prices shall be computed as follows:

* * * * *

(iii) For flour milled in any state other than those mentioned in subparagraphs (i) and (ii) hereof, the maximum prices shall be $9.60 per barrel for cake flour, $8.45 per barrel for other soft wheat bakery flour with an ash content of .41% or less, and $7.95 per barrel for other soft wheat bakery flour with an ash content greater than .41%, less the charge at the lowest flat domestic carload rail rate from the milling point to New York City, plus the charge at the lowest flat domestic carload rail rate from the milling point to the destination: *Provided*, That, at or within twenty-five miles of the milling point, the maximum price for carload quantities shall be the price obtained by deducting the transportation charge to New York City as directed in this subparagraph (iii) and then adding 20¢ per barrel.

* * * * *

V. *Maximum prices for family flours in carload quantities, packed in 98 pound cotton sacks, delivered at specified destinations.* The maximum prices for family flour in carload quantities, packed in 98 pound cotton sacks delivered at destinations in the various states and the District of Columbia, shall be as follows:

	Per barrel
Colorado, east of the Rocky Mountains	$7.25
Montana, Wyoming	7.50
Colorado, except east of the Rocky Mountains, Kansas, Nebraska, New Mexico, North Dakota, South Dakota	7.75
Oregon, Washington	8.00
Idaho	8.10
Arizona, Oklahoma, Utah	8.25
Iowa, Missouri	8.40
Texas	8.45
Arkansas, Minnesota	8.50
Nevada	8.75
Illinois	8.80
Indiana	8.90
Michigan, Ohio, Wisconsin	9.00
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia	9.20
California, New Jersey, New York	9.25
The New England States	9.30
Florida, Kentucky, Louisiana	9.80
Tennessee	10.05
Alabama, Georgia, Mississippi, South Carolina	10.15
North Carolina	10.25

This amendment shall become effective March 2, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43–3184; Filed, February 27, 1943; 3:54 p. m.]

PART 1394—RATIONING OF FUEL AND FUEL PRODUCTS

[Ration Order 11,[1] Amendment 40]

FUEL OIL RATIONING REGULATIONS

Subparagraph (4) of § 1394.5653 (f) is amended by inserting the phrase "or on such dates, not later than April 1, 1943, fixed for such purpose by any Regional Administrator for the region, or any part thereof, under his jurisdiction", after the phrase "on January 14, 15 or 16, 1943"; and subparagraph (3) of § 1394.5707 (b) is amended by inserting the phrase "or on such date, not later than April 1, 1943, fixed for such purpose by any Regional Administrator for the region, or any part thereof, under his jurisdiction" after the phrase "January 18, 1943"; subparagraph (4) of said paragraph (b) is amended by inserting the phrase "or on such dates, not later than April 1, 1943, fixed for such purpose by any Regional Administrator for the region, or any part thereof, under his jurisdiction" after the phrase "on January 22 or 23, 1943"; subparagraph (7) of said paragraph (b) is amended by inserting the phrase "or on such date, not later than April 1, 1943, fixed for such purpose by any Regional Administrator for the region, or any part thereof, under his jurisdiction", after the phrase "January 25, 1943"; and subparagraph (8) of said paragraph (b) is amended by inserting the phrase "or on such dates, not later than April 1, 1943, fixed for such purpose by any Regional Administrator for the region, or any part thereof, under his jurisdiction" after the phrase "on January 29, or 30, 1943".

This amendment became effective on February 27, 1943.

(Pub. Law 671, 76th Cong., as amended by Pub. Laws 89, 421 and 507, 77th Cong.; W.P.B. Directive No. 1, 7 F.R. 562; Supp. Directive 1–O, as amended, 7 F.R. 8418; E.O. 9125, 7 F.R. 2719)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43–3185; Filed, February, 1943; 3:54 p. m.]

PART 1394—RATIONING OF FUEL AND FUEL PRODUCTS

[Ration Order 11,[1] Amendment 41]

FUEL OIL RATIONING REGULATIONS

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

In §§ 1394.5255 (a) and 1394.5270 (c) the phrase "Form OPA R–1100 (Revised)" is amended to read "Form OPA R–1100 or Form OPA R–1100 (Revised)"; in § 1394.5260 (a) the phrase "Form OPA R–1101 (Revised)" is amended to read "Form OPA R–1101 or Form OPA R–1101 (Revised)"; in §§ 3194.5266 (a), 1394.5267, 1394.5268 (b), paragraphs (e) and (f) of § 1394.5269, §§ 1394.5402 (c), 1394.5403 (c), paragraphs (c) and (d) of § 1394.5451, §§ 1394.5452 (a), 1394.5603 (c), and 1394.5652 (a) the phrase "March 1, 1943" is amended to read "March 16, 1943"; in the text of paragraph (f) of § 1394.5653 the phrase "February 28, 1943" is amended to read "March 15, 1943", and in subparagraph (4) of said paragraph (f) the phrase "March 15 or 16, 1943" is amended to read "March

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*Copies may be obtained from the Office of Price Administration.

[1] 8 F.R. 2195, 2348.

[1] 8 F.R. 158, 612.

[1] 7 F.R. 8480, 8708, 8809, 8897, 9316, 9396, 9492, 9427, 9430, 9621, 9784, 10153, 10081, 10379, 10530, 10531, 10780, 10707, 1316, 1235, 11118, 11071, 1466, 11005; 8 F.R. 165, 237, 437, 369, 374, 1466, 2194, 535, 439, 444, 607, 608, 977, 1203, 1282, 1681, 1636, 859, 2432.

[1] 7 F.R. 8480, 8708, 8809, 8897, 9316, 9396, 9492, 9427, 9430, 9621, 9784, 10153, 10081, 10379, 10530, 10780, 10707, 11118, 11071, 11005; 8 F.R. 165, 237, 437, 369, 374, 535, 439, 444, 607, 608, 977, 1203, 1235, 1282, 1466, 1681, 1636, 1859, 2194, 2432.

30 or 31, 1943"; in paragraph (a) of § 1394.5707 the phrase "March 1, 1943"; is amended to read "March 16, 1943"; in paragraph (b) of said section the phrase "February 28, 1943" is amended to read "March 15, 1943", and in subparagraph (3) of said paragraph (b) the phrase "March 20, 1943" is amended to read "April 5, 1943", in subparagraph (4) of said paragraph (b) the phrase "1394.5753 (f)" is amended to read "1394.5653 (f)" and the phrase "March 23, 1943" is amended to read "April 8, 1943", in subparagraph (7) of said paragraph (b) the phrase "March 27, 1943" is amended to read "April 12, 1943", and in subparagraph (8) of said paragraph (b) the phrase "March 30, 1943" is amended to read "April 15, 1943".

This amendment shall become effective on February 27, 1943.

(Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507; Pub. Law 421, 77th Cong.; W.P.B. Directive No. 1, 7 F.R. 562; Supp. Directive No. 1–0; 7 F.R. 8418; E.O. 9125, 7 F.R. 2719)

Issued this 27th day of February, 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43–3186; Filed, February 27, 1943; 3:54 p. m.]

PART 1412—SOLVENTS

[MPR 295,[1] Amendment 2]

WEST COAST ETHYL ALCOHOL

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.*

In § 1412.165 (g) (1), item (1), "Raw materials, in the case of molasses, not to exceed an amount computed on the basis of $18.00 per ton of 48% sugar content," is amended to read "Raw materials."

A new subparagraph (9) is added to § 1412.162 (a), and §§ 1412.165 (a) and 1412.165 (b) are amended, as set forth below:

§ 1412.162 *Definitions.* (a) When used in this regulation, the term:

* * * * *

(9) "Premium grade pure ethyl alcohol" means ethyl alcohol of acidity as acetic acid not exceeding 0.0014 gms. per 100 cc, containing non-volatile material not over 0.0025 gms. per 100 cc, having no foreign odor in either dilute or concentrated form, and testing not less than 40 minutes permanganate time determined by the following method: A glass stoppered cylinder is thoroughly cleaned, rinsed with distilled water and then with the alcohol to be tested. If the cylinder has been previously used in this test, it should be cleaned with strong hydrochloric acid to remove the oxides of manganese formed in testing previous samples. A 50 cc portion of the alcohol to be tested is introduced, the cylinder and contents cooled to approximately 15° Centigrade, and 2 cc of freshly prepared potassium permanganate solution containing 0.2 gm. per liter is added by means of a pipette, the exact time being noted. The contents are mixed at once by inverting the stoppered cylinder, which is then placed out of bright light and kept at 15° to 16° C until the test is finished. The number of minutes required for the complete disappearance of the pink color is the permanganate time of the alcohol.

* * * * *

§ 1412.165 *Appendix A: Maximum prices for West Coast ethyl alcohol.* The following maximum prices are established for sales of West Coast ethyl alcohol of 188–191.6 proof, except where otherwise specified:

(a) *Sales by manufacturers in quantities of 50 gallons or more.* All prices listed in this paragraph are f. o. b. manufacturer's production point.

(1) *Heavy tonnage formulae*—(i) *Sales in tank cars or tank trucks.*

	Per gallon
CD12	$0.455
CD13	.455
CD14	.455
SD1	.455
SD2B	.43
SD3A	.435
SD12A	.43
SD23A	.45
SD23G	.485
SD23H	.45
Proprietary name solvent	.465

(ii) *Sales other than in tank cars or tank trucks.* For sales other than in tank cars or tank trucks, the following amounts per gallon may be added to the maximum prices established in subdivision (i) of this subparagraph:

Container	C. L.	L. C. L.	
		Over 950 gallons	50–950 gallons
Drums (50–55 gallons)	$0.08	$0.10	$0.13
Half drums (25–35 gallons)	.11	.13	.16
Barrels (50–55 gallons)	.15	.17	.20
Half barrels (25–35 gallons)	.22	.24	.27
5-gallon containers	.18	.20	.23
Containers of less than 5 gallons	.23	.25	.28

For sales in intermediate size containers not listed above, there may be added the per gallon differential for the next larger size container of the same general type, plus or minus the per gallon difference in cost between the container being used and the next larger size container.

(2) *Undenatured ethyl alcohol and other formulae of denatured ethyl alcohol*—(i) *Sales in tank cars or tank trucks.* (a) Undenatured (including pure) ethyl alcohol—$.43 per gallon. Premium grade pure ethyl alcohol—$.45 per gallon.

(b) *Other formulae.* The maximum price per gallon for denatured ethyl alcohol of a formula not listed in paragraph (a) above shall be a price determined as follows:

To the maximum tank car price for 100 gallons of SD2B ethyl alcohol, add 115 per cent of the net cost of the denaturants added to 100 gallons of undenatured ethyl alcohol to prepare the formula being priced; divide this total by the number of gallons of denatured ethyl alcohol thus obtained; round the figure so obtained to the nearest half cent, and add one cent. The resulting figure is the maximum tank car or tank truck price per gallon of the formula of denatured ethyl alcohol being priced.

"Net cost of the denaturants" means the delivered cost to the manufacturer of the denaturants actually used. Such "net cost" shall be determined in accordance with the accounting procedures in use by the manufacturer on September 30, 1942, for computing costs of material used, and shall not exceed the maximum delivered price to such manufacturer for such denaturants as established by any applicable regulation issued by the Office of Price Administration.

(ii) *Sales other than in tank cars or tank trucks.* For sales other than in tank cars or tank trucks, the following amounts per gallon may be added to the maximum prices established in subdivision (i) of this subparagraph:

Container	C. L.	L. C. L.	
		Over 950 gallons	50–950 gallons
Drums	$0.08	$0.115	$0.145
Half drums	.11	.145	.175
Barrels	.15	.185	.215
Half barrels	.22	.255	.285
5-gallon metal container	.21	.245	.275
Other 5-gallon container	.41	.445	.475
1 gallon	.60	.635	.665

For sales in other size containers not listed above, there may be added the per gallon differential for the next larger size container of the same general type, plus or minus the per gallon difference in cost between the container being used and the next larger size container.

(3) *Undenatured and denatured ethyl alcohol of proof higher than 191.6.* For sales of undenatured (including pure) ethyl alcohol of higher than 191.6 proof and formulae of denatured ethyl alcohol based on ethyl alcohol of higher than 191.6 proof the following amounts per gallon may be added to the maximum prices established in paragraphs (1) and (2) above:

	Per gallon
Over 191.6 and less than 199.5 proof	$0.01
199.5–200 proof	.045

(b) *Denatured ethyl alcohol sold on a toll basis.* Where denatured ethyl alcohol, made with denaturants furnished by the buyer, is sold by a manufacturer, the buyer shall pay the freight on the denaturants to the denaturing plant, and the manufacturer may charge for every gallon of undenatured ethyl alcohol supplied, the maximum prices established in this regulation for undenatured ethyl alcohol of the same type and proof sold in the same quantity in identical containers and, in addition 1½¢ per gallon of denatured ethyl alcohol thus produced.

* * * * *

This amendment shall become effective March 1, 1943.

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 11115; 8 F.R. 129.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3188; Filed, February 27, 1943; 4:03 p. m.]

PART 1315—ADMINISTRATION

[Ration Order 1A, Amendment 12]

TIRES, TUBES, RECAPPING AND CAMELBACK

Correction

In § 1315.804 (d) (2) appearing on page 2349 of the issue for Wednesday, February 24, 1943, the word "thread," wherever it appears, should read "tread."

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, War Department

PART 203—BRIDGE REGULATIONS

RAILWAY BRIDGE NEAR TAVARES, FLA.

Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U.S.C. 499), the special regulations governing the operation of the Seaboard Air Line Railway Company bridge across Dead River, connecting Lake Eustis and Lake Harris, near Tavares, Florida are hereby amended as follows:

§ 203.434 *Dead River, Fla.; bridge of Seaboard Air Line Railway Company near Tavares, Fla.* (a) The owner of, or agency controlling, the bridge will not be required to open the drawspan of the above-named bridge between the hours of 8:00 p. m. and 1:00 p. m. the following day, except as provided in paragraph (c).

(b) Whenever a vessel unable to pass under the closed bridge desires to pass through the draw between the hours of 1:00 p. m. and 8:00 p. m., thirty (30) minutes advance notice shall be given to the draw tender, who will be on duty at the bridge. Upon receipt of such notice, the said draw tender, or an authorized representative of the owner of, or agency controlling, the bridge, in compliance therewith, shall arrange for the prompt opening of the draw.

(c) The drawspan shall be opened daily between the hours of 7:00 a. m. and 8:00 a. m., and 5:00 p. m. and 6:00 p. m. to allow the passage of United States Coast Guard Reserve patrol boats operating in connection with Leesburg Army Air Base. In the event of an emergency which requires additional opening for passage of United States Coast Guard Reserve boats, the drawspan will be promptly opened upon receipt of notice given the bridge tender by the United States Coast Guard Reserve representative.

(d) The owner of, or agency controlling, the bridge shall keep conspicuously posted on both the upstream and downstream sides of the bridge, in a manner that it can easily be read at any time, a copy of these regulations, together with a notice stating exactly how the representative specified in paragraph (b) may be reached. [Regs. February 15, 1943 (CE 823 (Dead R.—Tavares, Fla.) (mile 3)—SPEON)]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 43-3150; Filed, February 27, 1943; 10:44 a. m.]

PART 204—DANGER ZONE REGULATIONS

ABERDEEN PROVING GROUND, MARYLAND

Pursuant to the provisions of Chapter XIX of the Army Act approved July 9, 1918 (40 Stat. 892; 33 U.S.C. 3), the restricted area defined in § 204.30 (a) (1) (7 F.R. 2404) is hereby redefined; the description of the restricted area being amended as follows:

§ 204.30 *Chesapeake Bay—(a) United States Army Proving Ground Reservation, Aberdeen, Md.—(1) Restricted area defined.* The following indicates the limits of the waters of or adjacent to the Aberdeen Proving Ground, Maryland, and inside of which boundaries will lie the restricted area known as the Aberdeen Proving Ground, Maryland.

Beginning at a point on the westerly side of Chesapeake Bay, at the south side of the mouth of Swan Creek, Harford County, Maryland, the most northerly point of the reservation known as Plum Point; thence southeasterly along the low water mark on the shore of Chesapeake Bay to and across the north entrance of Spesutie Narrows to and thence along the low water mark on the north shore of Spesutie Island to Locust Point; thence along straight line from Locust Point to Turkey Point for a distance of approximately 1,400 yards; thence following a line parallel with and 1,000 yards from the low water mark on the easterly shore of Spesutie Island to a point 1,000 yards due southeast of Sandy Point; thence approximately southwest in a straight line to a point approximately 1,250 yards S. 10°30′ W. from Bear Point; thence approximately 9,275 yards S. 51°04′ W. to a point in Chesapeake Bay about 1,700 yards due east from Taylor Island Point; thence southwesterly in a straight course, except such variations as may be necessary to include all of Pooles Island to the southwesterly point of Pooles Island, thence in a northwesterly direction to the most southwesterly point of Spry Island, including all of Spry Island; thence northwesterly in a straight line to extreme southerly island off Lower Island Point; thence northwesterly in a straight line through Brier Point to a point in Seneca Creek where this line intersects a straight line which passes through monuments No. 124 and No. 125 on westerly part of Carroll Island; thence northeasterly in a straight line passing through Marshy Point, at the junction of Dundee Creek and Saltpeter Creek, to the intersection of the center line of Reardon Inlet with Gunpowder River, except such variations as may be necessary to exclude any and all parts of the point of land on the westerly side of Gunpowder River about one mile south of Oliver Point; thence northerly along the center line of Reardon Inlet to its intersection with the southeasterly line of the right of way of the Pennsylvania Railroad; thence northeast along the Pennsylvania Railroad following the reservation boundary line to shore of Bush River, and along its western shore to Fairview Point; thence northeast in a straight line across Bush River to concrete monument No. 64, located on the eastern shore of Bush River, south of Chelsea; thence along the eastern shore of Bush River northerly to the mouth of Sod Run; thence by a broken line along the boundary of the reservation to Swan Creek; and thence in a straight line to Plum Point. (The above description may be traced on Coast and Geodetic Chart No. 1226).

[Regs. February 19, 1943 (CE 671.1 (Aberdeen Proving Ground)—SPEON)]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 43-3139; Filed, February 27, 1943; 10:22 a. m.]

Chapter III—Coast Guard: Inspection and Navigation

MISCELLANEOUS AMENDMENTS

By virtue of the authority vested in me by Rules 7, 12, R.S. 4233, as amended; sec. 1, Rule 7, 28 Stat. 646; sec. 1, 29 Stat. 54–55, 34 Stat. 136; sec. 2, 30 Stat. 102, 38 Stat. 381; sec. 14, 35 Stat. 428; sec. 15, 38 Stat. 1184; sec. 2, 23 Stat. 118, as amended; 54 Stat. 163, 166; R.S. 4405, as amended (33 U.S.C. 316, 321, 256, 474, 157, 152, 365, 46 U.S.C. 2, 526, 526p, 375), and Executive Order 9083, dated February 28, 1942 (7 F.R. 1609), the following amendments to the Inspection and Navigation regulations are prescribed:

PART 304—TOWING OF BARGES

Section 304.5 is amended to read as follows:

§ 304.5 *Reporting violations.* Any violation of the regulations in this part shall be reported in writing as soon as practicable to the district Coast Guard officer most convenient to the officer or other person who may witness the violation.

Section 304.10 *Accidents sustained or caused by barges in tow* is deleted.

PART 312—PILOT RULES FOR INLAND WATERS

Section 312.15 is amended by changing the last undesignated paragraph thereof to read as follows:

§ 312.15 *Ferryboats.* * * *

Merchant marine inspectors in charge in districts having ferryboats shall, whenever the safety of navigation may require, designate for each line of such boats a certain light, white or colored, which will show all around the horizon, to designate and distinguish such lines from each other, which light shall be carried on a flagstaff amidships, 15 feet above the white range lights.

Section 312.24 is amended by changing the first sentence thereof to read as follows:

§ 312.24 *Lights to be displayed on pipe lines.* Pipe lines attached to dredges and either floating or supported on trestles shall display by night one row of amber lights not less than 8 feet nor more than 12 feet above the water, about

equally spaced and in such number as to mark distinctly the entire length and course of the line, the intervals between lights where the line crosses navigable channels to be not more than 30 feet.

Part 312 is amended by inserting a new center heading to follow § 312.33 and to read as follows: "Unauthorized Use of Lights; Unnecessary Whistling"

PART 322—PILOT RULES FOR THE GREAT LAKES

Section 322.17 is amended to read as follows:

§ 322.17 *Lights for boats navigating only on the River St. Lawrence.* The lights for boats of all kinds navigating only on the River St. Lawrence as far east as Montreal shall be the same as required by law for vessels navigating the Great Lakes, and as required by the rules of the Commandant, for ferryboats, rafts, canal boats, and watercraft propelled by hand power, horsepower, or by the current of the river.

Section 322.18 is amended by changing the last undesignated paragraph thereof to read as follows:

§ 322.18 *Lights for ferryboats.* * * *

Merchant marine inspectors in charge in districts having ferryboats shall, whenever the safety of navigation may require, designate for each line of such boats a certain light, white or colored, which shall show all around the horizon, to designate and distinguish such lines from each other, which light shall be carried on a flagstaff amidships, 15 feet above the white range lights.

PART 323—ANCHORAGE AND NAVIGATION REGULATIONS; ST. MARY'S RIVER, MICHIGAN

Section 323.31 is amended by changing the first undesignated paragraph thereof to read as follows:

§ 323.31 *Small craft.* Motorboats as defined by section 1 of an Act of Congress approved April 25, 1940 (54 Stat. 163; 46 U.S.C. 526), shall be considered amenable to the provisions of §§ 323.2 to 323.5, inclusive, 323.7, 323.29, and 323.30. Sail vessels under 10 gross tons shall be considered amenable to the provisions of §§ 323.2 to 323.5, inclusive, and 323.7.

PART 332—PILOT RULES FOR WESTERN RIVERS

Section 332.14 is amended by changing the last undesignated paragraph thereof to read as follows:

§ 332.14 *Lights for ferryboats.* * * * Merchant marine inspectors in charge in districts having ferryboats shall, whenever the safety of navigation may require, designate for each line of such boats a certain light, white or colored, which shall show all around the horizon, to designate and distinguish such lines from each other, which light shall be carried on a flagstaff amidships, 15 feet above the white range lights.

R. R. WAESCHE,
Commandant.

FEBRUARY 26, 1943.

[F. R. Doc. 43-3138; Filed, February 27, 1943; 9:54 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 10—INSURANCE

PREMIUM WAIVERS AND TOTAL DISABILITY

Section 10.3444 is being added as follows:

§ 10.3444 *National Service Life Insurance issued pursuant to section 602 (d) (3) (A), National Service Life Insurance Act, as amended.* In any case where a veteran has National Service Life Insurance in force by the payment of premiums in a sum in excess of $5,000 and his application for waiver of premiums under section 602 (n) is denied because of a finding that he became totally disabled prior to the issuance of the insurance and is entitled to waiver of premiums under section 602 (d) (3), National Service Life Insurance Act, as amended, he will be advised of his right to surrender any of such insurance in excess of $5,000 and obtain a policy of insurance in the amount allowable under section 602 (d) (3) of the National Service Life Insurance Act, as amended, that is, an amount of insurance not in excess of $5,000, which together with any other United States Government Life Insurance or National Service Life Insurance then in force, will not exceed in the aggregate $10,000. He will also be advised that he may continue the remaining National Service Life Insurance in force by the payment of premiums. Application for gratuitous insurance must be made within the statutory time limit. (March 1, 1943.)

(38 U.S.C.A. 802 (d) (3))

[SEAL] FRANK T. HINES,
Administrator.

[F. R. Doc. 43-3155; Filed, February 27, 1943; 11:16 a. m.]

TITLE 46—SHIPPING

Chapter II—Coast Guard: Inspection and Navigation

AMENDMENTS TO REGULATIONS: APPROVAL OF EQUIPMENT

By virtue of the authority vested in me by R.S. 4405, 4417a, 4418, 4426, 4429, 4430, 4433, 4488, 4491, as amended, 49 Stat. 1544, 54 Stat. 163–167, 54 Stat. 1028 (46 U.S.C. 375, 391a, 392, 404, 407, 408, 411, 481, 489, 367, 526–526t, 463a), and Executive Order 9083 dated February 28, 1942 (7 F.R. 1609), the following amendments to the Inspection and Navigation regulations and approval of miscellaneous items of equipment for the better security of life at sea are prescribed:

Subchapter C—Motorboats, and Certain Vessels Propelled by Machinery Other Than by Steam More Than 65 Feet in Length

PART 25—REQUIREMENTS FOR ALL MOTORBOATS EXCEPT THOSE OF OVER 15 GROSS TONS CARRYING PASSENGERS FOR HIRE

Section 25.1–6 is amended to read as follows:

§ 25.1–6 *Approved lights.* Six months after the termination of the Unlimited National Emergency proclaimed by the President May 27, 1941, navigation lights installed, fitted, or replaced on motorboats shall be of an approved type: *Provided,* That navigation lights installed, fitted, or replaced on a motorboat prior to the termination of the aforesaid period may be continued in service on said motorboat provided they are of such character, and so located, arranged, and illuminated as to comply with the requirements in this part: *Provided further,* That any such navigation lights temporarily removed and later placed in the position from which removed on any such motorboat shall not be considered as an installation, fitting or replacement.

Section 25.2–1 (b) is amended to read as follows:

§25.2–1 *Where required.* * * *

(b) Whistles or other sound-producing mechanical devices which comply with the requirement in effect on April 24, 1940, may be continued in service until six months after the termination of the Unlimited National Emergency proclaimed by the President May 27, 1941.

Section 25.4–2 is amended to read as follows:

§ 25.4–2 *Existing equipment.* All life preservers, buoyant cushions, or ring buoys which are permitted by § 25.4–1 and which comply with the requirements of the regulations in effect on April 24, 1941, may be continued in service until six months after the termination of the Unlimited National Emergency proclaimed by the President May 27, 1941.

Section 25.5–2 is amended to read as follows:

§ 25.5–2 *Existing equipment.* Motorboats having on board fire extinguishers of the type which complied with the requirements in effect on April 24, 1941, and which are in good and serviceable condition are not required to carry approved fire extinguishers until six months after the termination of the Unlimited National Emergency proclaimed by the President May 27, 1941.

PART 26—REQUIREMENTS FOR MOTOR VESSELS EXCEPT THOSE OF MORE THAN 15 GROSS TONS CARRYING PASSENGERS FOR HIRE

Section 26.2–1 is amended to read as follows:

§ 26.2–1 *Number and type required.* After April 24, 1941, all motor vessels shall carry an approved life preserver for each person on board: *Provided,* That all life preservers, ring buoys or wooden life floats on board vessels which are of a character that met the requirements of the regulations in effect on April 24, 1941, may be continued in service until six months after the termination of the Unlimited National Emergency proclaimed by the President May 27, 1941.

Section 26.3–7 is amended to read as follows:

§ 26.3–7 *Existing equipment.* Motor vessels having on board portable fire extinguishers of the type which complied with the requirements in effect on April 24, 1941, and which are in good and serviceable condition are not required to carry approved fire extinguishers until six months after the termination of the Unlimited National Emergency proclaimed by the President May 27, 1941.

Subchapter F—Marine Engineering

PART 55—PIPING SYSTEMS

Section 56.19–3(s)(2) is amended to read as follows:

§ 55.19–3 *Detail requirements; piping systems.* * * *

(s) * * *

(2) Steel valves and fittings shall be tested by their manufacturer to a hydrostatic pressure in accordance with the requirements of tables P–10 and P–11. Bronze, cast iron or malleable iron valves and fittings for steam service or other services at temperatures exceeding 150° F. shall be tested by their manufacturer to a hydrostatic pressure of not less than 2½ times their steam working pressure. Bronze valves and fittings for high-pressure hydraulic or air services at temperatures not exceeding 150° F. shall be tested by their manufacturer to a hydrostatic pressure of not less than 1½ times their hydraulic or air working pressure.

Subchapter O—Regulations Applicable to Certain Vessels and Shipping During Emergency

PART 153—BOATS, RAFTS, AND LIFESAVING APPLIANCES; REGULATIONS DURING EMERGENCY

Section 153.4a, reading as follows is added to Part 153:

§ 153.4a *Construction of life floats.* During the emergency, life floats installed after March 31, 1943, on all vessels operating on ocean or coastwise waters shall comply with the following requirements:

(a) *General provisions; approval.* (1) The standard specifications for balsa wood life floats are set forth in paragraph (d) to enable manufacturers to produce equipment which fully meets the approval requirements by strict adherence to all details of the standard specification.

(2) Manufacturers who desire to manufacture life floats shall submit fully dimensioned drawings and material specifications in quadruplicate in order that they may be considered for approval. After the plans and specifications have been examined and any necessary adjustments made, strength, freeboard, and capacity tests shall be conducted in accordance with paragraph (b).

(b) *General characteristics of life floats.* Every life float shall conform to the following general requirements:

(1) Construction, materials, and workmanship shall at least be equivalent to that of the standard type.

(2) It shall be effective and stable floating either side up.

(3) It shall have a life line securely becketed around the outside of the life float, festooned in bights approximately 3 feet in length, with a seine float in each bight, and extra life lines or pendants shall be fitted approximately 18 inches apart.

(4) It shall be of such strength that it can be launched or dropped from a height of 60 feet into the water flat, sidewise, and endwise without damage to the body, or other damage affecting the serviceability of the float for the purpose intended.

(5) After the drop tests, the buoyancy of the life float shall be determined, and then be tested in fresh water for 48 hours while loaded with a weight giving a downward gravitational pull of 40 pounds for each person of capacity, the weight being out of water, or equivalent. The life float shall be reversed in the water at the end of the first 24 hours of this test. At the expiration of the test the buoyancy shall be again determined. In ability to support the test weight of 40 pounds for each person of capacity, or a decrease in the buoyancy of the life float of over 10 percent, shall be considered cause for rejection. Rigging and canvas cover may be removed and inspected for interior damage.

(6) It shall not be allowed a capacity of persons in excess of that established by actual demonstration.

(7) Every life float shall have a brass plate affixed thereon by the builder and bearing his name, the serial number of the float, the date of construction, dimensions, and number of persons the float is certified to carry. A blank space shall be provided for the inspector's initials, port, and the letters "M. I. N".

(8) In addition to the name plate, the number of persons allowed to be carried shall be stenciled in a conspicuous place on the life float.

(c) *Factory inspection.* (1) An inspector shall examine the construction of life floats at the place where they are built, and, after he has satisfied himself that they are constructed in accordance with the approved plans and specifications, he shall stamp the initials of his name, port, and the letters "M. I. N." on a blank space on the name plate, and this stamp shall be satisfactory evidence that the life float has been constructed in accordance with said plans and specifications.

(2) One float of each size and type manufactured shall be selected at random from each group of approximately 30 and drop-tested from a height of 60 feet. The first one selected from the first group is to be drop-tested flat, the one selected from the second group is to be drop-tested sidewise, and the one selected from the third group is to be drop-tested endwise, so that out of 90 floats manufactured, three floats will have been drop-tested from a height of 60 feet, one flat, one endwise, and one sidewise. After the drop test, the float shall be subjected to a buoyancy test of 40 pounds downward gravitational pull for each person of capacity.

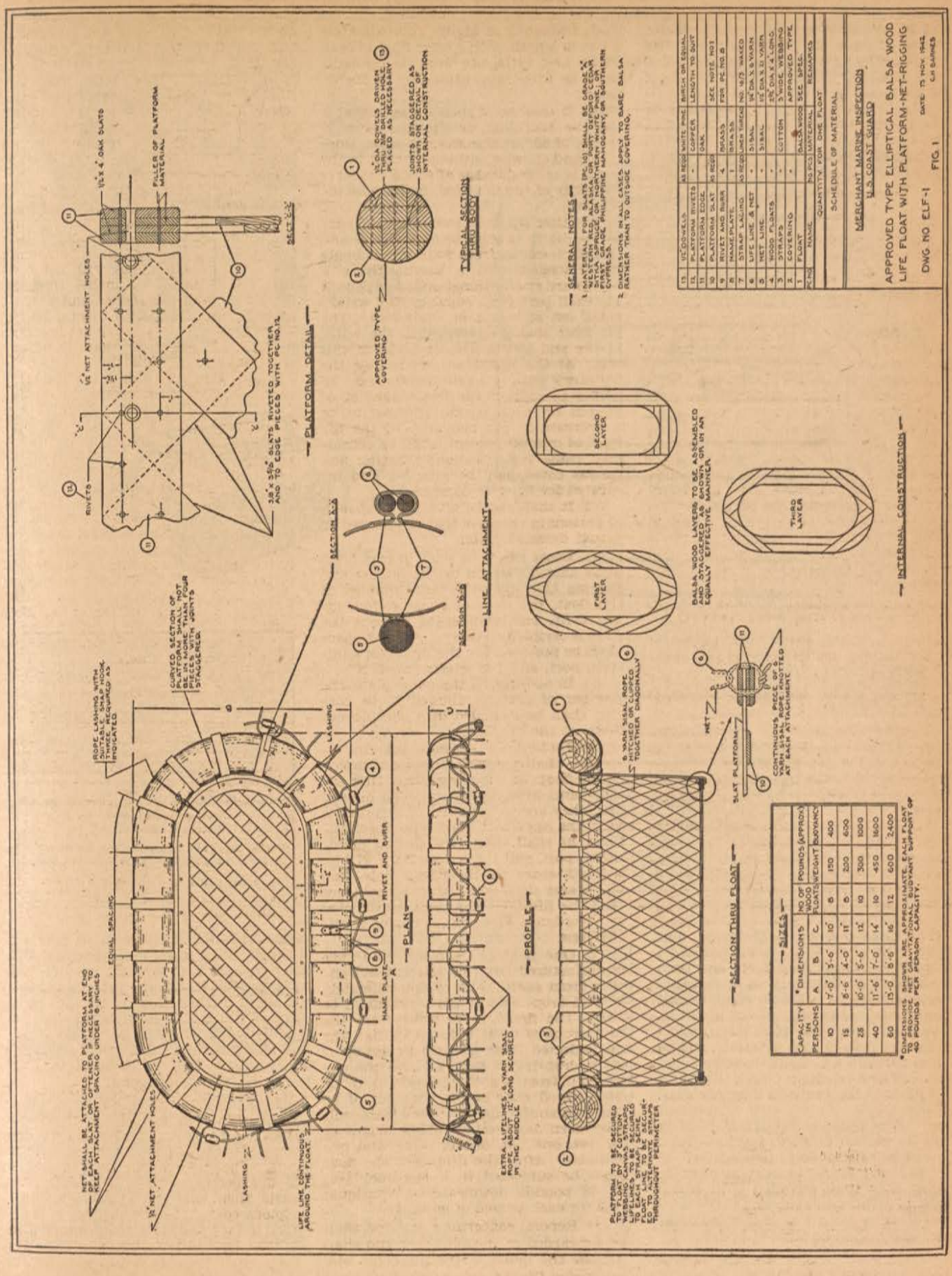
(3) Reports concerning each test shall be forwarded to Headquarters and shall include the name of the inspector who conducted the test, the number stamped on the float tested, date and location of test, together with pertinent details of results.

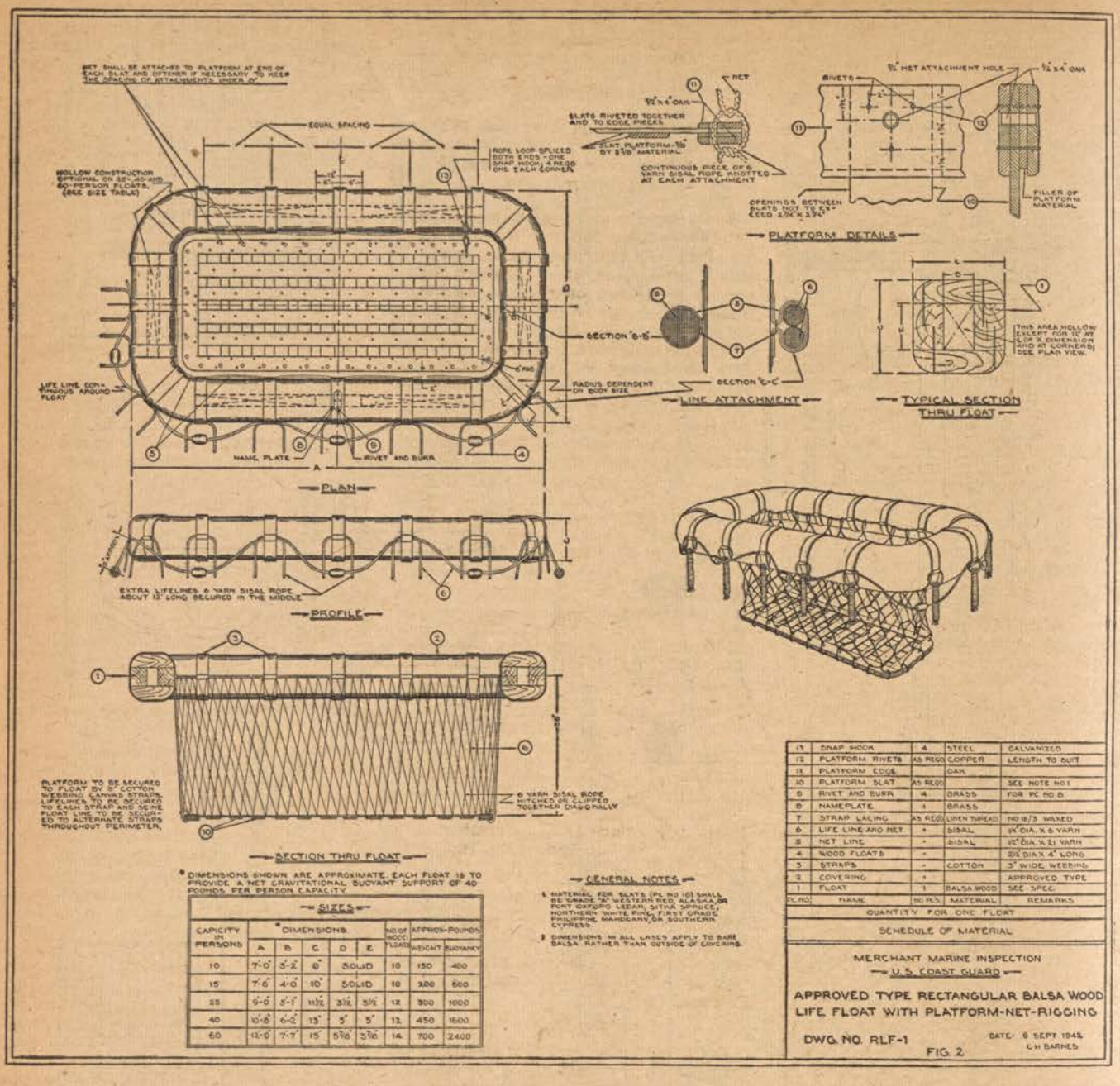
(d) *Standard type balsa wood life floats*—(1) *Types and capacities.* Balsa wood life floats shall be of the elliptical or rectangular types, as illustrated by Figure 1 and Figure 2, respectively, and shall be furnished in 10, 15, 25, 40, or 60 persons capacities.

(2) *Balsa wood.* Balsa wood shall be of the genus Ochroma; weight not more than 12 pounds nor less than 8½ pounds per cubic foot when thoroughly dry; thickness, 2 inches and over, to average not less than 2½ inches, with not more than 50 percent of 2 inches thickness admitted; width, 3 inches and over, to average not less than 5 inches; length, 3 feet and over, to average not less than 5 feet, with not more than 40 percent of 3-foot lengths admitted. It shall be sound, square edge, kiln dried to a moisture content not exceeding 12 percent, and shall be free from rot, dote, large or unsound knots, wormholes, and other injurious defects; except that one sound, tight knot, not over 1¼ inches in diameter and 150 scattered pin wormholes or their equivalent, will be allowed in every 5 square feet, surface measure, provided the pin wormholes do not exceed 1/32 inch in diameter and that there shall be no concentrations of more than 40 pin wormholes in any square foot of surface area. Pith which does not exceed 1 inch in diameter and which does not appear on the surface of the piece shall not be considered a defect. Boxed pith less than 1 inch in diameter shall not be considered a defect.

(3) *Joint and seam arrangement.* The balsa wood pieces composing each layer shall be as large as practicable in order to keep the number of pieces and the number of seams and butts to a minimum, but no layer shall be less than 2 inches in thickness. The pieces shall be so arranged in adjacent layers that butts and seams are staggered in order to give maximum rigidity to the whole and to minimize all channels through which water might penetrate. The grain of the wood shall be so laid as to give minimum end grain on the outside surface of the finished body. The use of small pieces for filling purposes in the interior of the body is prohibited. The use of small pieces for fairing purposes on the exterior of the body will be permitted, provided that the grain complies with the above requirement and that the pieces are thoroughly glued in place as hereinafter specified. All butted ends shall be square and smooth. All sides shall be smooth and straight. All butts and seams shall be tightly fitted.

(4) *Gluing.* Before assembling the various pieces, all end grain of each piece which will form part of a butt or seam shall be given a copious coat of urea formaldehyde or phenol resin waterproof glue. This coat of glue shall be allowed to dry before assembly proceeds. The parts then shall be assembled with a copious coat of the waterproof glue applied to each mating surface of each piece which forms part of a butt or seam. The body shall then be clamped until the glue is dry.


MERCHANT MARINE INSPECTION
U.S. COAST GUARD
APPROVED TYPE ELLIPTICAL BALSA WOOD
LIFE FLOAT WITH PLATFORM-NET-RIGGING
DWG NO ELF-1 FIG. 1
DATE 13 NOV 1942
SCHEDULE OF MATERIAL
QUANTITY FOR ONE FLOAT
PLATFORM DETAIL
TYPICAL SECTION THRU BOOM
GENERAL NOTES
INTERNAL CONSTRUCTION
LINE ATTACHMENT
PROFILE
PLAN
SECTION THRU FLOAT
SIZES
BALSA WOOD LAYERS TO BE ASSEMBLED AND STAGGERED AS SHOWN OR IN AN EQUALLY EFFECTIVE MANNER
FIRST LAYER
SECOND LAYER
THIRD LAYER
SLAT PLATFORM
NET
RIVET AND BURR
NAME PLATE
LASHING
EQUAL SPACING
SECTION X-X
SECTION Y-Y
RIVETS
FILLER OF PLATFORM MATERIAL
APPROVED TYPE COVERING
JOINTS STAGGERED AS SHOWN ON DETAIL OF INTERNAL CONSTRUCTION
LIFE LINE CONTINUOUS AROUND THE FLOAT
EXTRA LIFE LINES 6 YARN SISAL ROPE 12" LONG SECURED IN THE MIDDLE
PLATFORM TO BE SECURED TO FLOAT BY CANVAS WEBBING STRAPS; 12 LINES TO BE SECURED TO FLOAT LINE AND 12 TO FLOAT LINE TO BE SECURED TO PLATFORM AT EQUAL SPACING THROUGHOUT PERIMETER
CURVED SECTION OF PLATFORM SHALL NOT BE IN MORE THAN FOUR PIECES WITH JOINTS STAGGERED.
ROPE LASHING WITH SUITABLE SNAP HOOK OR TURNBUCKLE AS INDICATED
NET SHALL BE ATTACHED TO PLATFORM AT END OF EACH SLAT AND AT EACH KEEP ATTACHMENT SPACING UNDER 6 INCHES
2' NET ATTACHMENT HOLES
LASHING
CONTINUOUS PIECE OF 9 YARN SISAL ROPE KNOTTED AT EACH ATTACHMENT
6 YARN SISAL ROPE STRETCHED ON FLOAT AND LASHED TOGETHER DIAGONALLY
1/2" NET ATTACHMENT HOLES
1/2" x 4" OAK SLATS
RIVETS
3/8" x 3/8" SLATS RIVETED TOGETHER AND TO EDGE PIECES WITH PC NO 12
15" DIA SPOOLS SPACED AS SHOWN OR AS NECESSARY PLACED AS NECESSARY
SEE NOTE NO 1
FOR PC NO 8
NO 18/3 WAXED
1/4" DIA X 9 YARN
1/2" DIA X 21 YARN
2 1/2" DIA X 4" LONG
3" WIDE WEBBING
APPROVED TYPE
SEE SPEC.
REMARKS
BURLAP OR EQUAL
LENGTH TO SUIT
BRASS
BRASS
COPPER
OAK
COTTON
BALSA WOOD
MATERIAL
WHITE PINE
ALL WOOD
PC NO
NAME
PLATFORM EDGE
PLATFORM SLAT
RIVET AND BURR
NAME PLATE
STRAP LACING
LIFE LINE & NET
NET LINE
WOOD FLOATS
STRAPS
COVERING
FLOAT
1. MATERIAL FOR SLATS (PC NO 10) SHALL BE GRADE 'A' SELECT MERCHANTABLE QUALITY DOUGLAS FIR, SITKA SPRUCE, OR NORTHERN WHITE PINE; OR FIRST GRADE PHILIPPINE MAHOGANY, OR SOUTHERN YELLOW PINE.
2. DIMENSIONS IN ALL CASES APPLY TO BARE BALSA RATHER THAN TO OUTSIDE COVERING.
CAPACITY IN PERSONS
A
B
C
NO OF WOOD FLOATS
POUNDS (APPROX) BUOYANC
10
15
25
40
60
7'-0"
8'-6"
10'-0"
11'-6"
13'-0"
3'-6"
4'-0"
5'-6"
7'-0"
8'-6"
10'
11'
13'
14'
16'
8
8
10
10
12
150
200
300
450
600
400
600
1000
1800
2400
* DIMENSIONS SHOWN ARE APPROXIMATE. EACH FLOAT TO PROVIDE NET GRAVITATIONAL BUOYANT SUPPORT OF 40 POUNDS PER PERSON CAPACITY.



* DIMENSIONS SHOWN ARE APPROXIMATE. EACH FLOAT IS TO PROVIDE A NET GRAVITATIONAL BUOYANT SUPPORT OF 40 POUNDS PER PERSON CAPACITY.

SIZES

CAPACITY IN PERSONS	* DIMENSIONS					NO. OF WOOD FLOATS	APPROX. POUNDS	
	A	B	C	D	E		WEIGHT	BUOYANCY
10	7'-0	3'-2"	8"	SOLID		10	150	400
15	7'-6"	4'-0"	10"	SOLID		10	200	600
25	9'-0"	5'-1"	11 1/2"	3 1/2"	5 1/2"	12	300	1000
40	10'-6"	6'-2"	13"	5"	5"	12	450	1600
60	12'-0"	7'-7"	15"	5 7/8"	5 7/16"	14	700	2400

GENERAL NOTES

1. MATERIAL FOR SLATS (PL NO 103) SHALL BE GRADE "A" WESTERN RED, ALASKA OR PORT ORFORD CEDAR, SITKA SPRUCE, NORTHERN WHITE PINE, FIRST GRADE PHILIPPINE MAHOGANY, OR SOUTHERN CYPRESS.
2. DIMENSIONS IN ALL CASES APPLY TO BARE BALSA RATHER THAN OUTSIDE OF COVERING.

13	SNAP HOOK	4	STEEL	GALVANIZED
12	PLATFORM RIVETS	AS REQD	COPPER	LENGTH TO SUIT
11	PLATFORM EDGE		OAK	
10	PLATFORM SLAT	AS REQD		SEE NOTE NO 1
9	RIVET AND BURR	4	BRASS	FOR PC NO 8
8	NAMEPLATE	1	BRASS	
7	STRAP LACING	AS REQD	LINEN THREAD	NO 18/3 WAXED
6	LIFE LINE AND NET	*	SISAL	3/4" DIA. X 6 YARN
5	NET LINE	*	SISAL	1/2" DIA. X 21 YARN
4	WOOD FLOATS	*		20" DIA X 4" LONG
3	STRAPS	*	COTTON	3" WIDE, WEBBING
2	COVERING	*		APPROVED TYPE
1	FLOAT	1	BALSA WOOD	SEE SPEC.
PC NO	NAME	NO REQ'D	MATERIAL	REMARKS

QUANTITY FOR ONE FLOAT

SCHEDULE OF MATERIAL

MERCHANT MARINE INSPECTION
U. S. COAST GUARD

APPROVED TYPE RECTANGULAR BALSA WOOD LIFE FLOAT WITH PLATFORM-NET-RIGGING

DWG. NO. RLF-1 DATE: 6 SEPT 1942 L.H. BARNES

FIG. 2.

(5) *Doweling and smooth finish.* The rough body shall then be worked down to its approximate final form and then be doweled as necessary to thoroughly secure all pieces. Dowels shall extend through the entire body of the life float. They shall be of white pine, birch, douglas fir, or equal, ½ inch diameter, and be driven through a ⅜ inch diameter bored hole. Before driving a dowel, the dowel and its hole for the entire length shall be thoroughly coated with waterproof glue. After the glue has dried, the body shall be worked down to its final form. It shall be as smooth as practicable. If any gaps are found to exist in butts or seams, they shall be filled with shims glued in. The entire exterior of the body shall then be given a coat of waterproof glue, which shall be allowed to dry.

(6) *Muslin wrapping.* The body shall then be tightly wound with a continuous band of unbleached muslin, 4 1/10 ounces per square yard. This band shall be about 8 inches wide and shall be applied with an overlap of ½ its width, so that the final covering is 2 layers thick. As it is applied, the body shall be given a coat of waterproof glue, and care shall be taken that the glue thoroughly penetrates the muslin. After the wrapping is completed, the life float shall be again coated with 2 coats of water-resisting spar varnish. Alternate methods of treating and covering the exterior surface will be considered if the methods have been found satisfactory.

(7) *Intent of subparagraphs (2) to (6), inclusive.* The intent of the foregoing is to produce a compact monolithic structure without channels or opening through which water may penetrate the interior, and that it shall not only be waterproof at its exterior surface without the aid of further covering but that each piece of which it is constructed shall be a unit which will localize within itself any absorption due to exterior damage. Every effort shall be directed to this result during construction.

(8) *Covering.* The body shall be covered with a spirally wound covering of No. 10 cotton canvas having a width of 8 inches wrapped in waterproof glue with an overlap of 4 inches on each wrap. The canvas cover shall be given one coat of light gray canvas preservative paint.

(9) *Straps.* The straps shall be 3-inch cotton tape or webbing having a breaking (tensile) strength of not less than 750

pounds for the 10- and 15-person sizes, and not less than 1,500 pounds for the 25-, 40-, and 60-person sizes.

(10) *Thread.* All thread used in the construction of life floats shall be No. 16, 3-cord linen or No. 10, 6-cord, glazed finish, heavy cotton thread.

(11) *Platform, net, and rigging.* The platform, netting, and rigging shall be in general accordance with Figure 1 or 2. Care shall be taken that the platform and netting will readily pass through the life float when it is launched, regardless of which side of the life float strikes the water. All parts of the platform, including surfaces, edges, and rivets, shall be smooth and present no cutting edges, points, or splinters which might be dangerous to a barefooted person. The platform shall be finished in natural wood and painted with two coats of water-resisting spar varnish.

(12) *Life line and pendants.* The life line around the life float shall be festooned in bights not longer than 3 feet, with a seine float in each bight. The extra life lines or pendants shall be fitted approximately 18 inches apart.

(13) *Marking.* Each life float shall be fitted with a name plate in accordance with paragraph (b) (7) and be stenciled with the number of persons allowed in accordance with paragraph (b) (8).

Section 153.10 is amended by changing the introductory paragraph to read as follows, and by the addition of a new paragraph (c) to read as follows:

§ 153.10 *Construction of life preservers.* The following provisions are, during the emergency, applicable as alternative details of construction for life preservers to those provided in §§ 28.4–1 to 28.4–10, inclusive, 37.6–1 to 37.6–7, inclusive, 59.55, 60.48, 76.52, 94.52, and 113.44, of this chapter:

* * * * *

(c) *Kapok.* The kapok shall be raw, having the physical qualities of that grown in Java. This definition shall include vegetable fibers having properties similar to Java kapok. The kapok shall contain less than 5% by weight, of sticks, seeds, dirt, or other foreign matter, and shall be free from objectionable odor and from adulteration with other fiber. The kapok, after first having been submerged 12 inches deep in fresh water for 48 hours, shall have a buoyancy in fresh water of at least 51 pounds per cubic foot when compressed to a density of 3 pounds per cubic foot.

MISCELLANEOUS ITEMS OF EQUIPMENT APPROVED

The following miscellaneous items of equipment for the better security of life at sea are approved:

Lifeboats

20'0" x 6'0" x 2'6" metallic lifeboat (180 Cu. Ft.) (Dwg. No. NL–18–12–P, dated 30 October 1942), manufactured by Neptune Boat & Davit Co., Inc., New Orleans, La.

16'0" x 5'6" x 2'4½" metallic lifeboat (125 Cu. Ft.) (Dwg. No. L. B. 125, Revised 12 December 1942), manufactured by Neptune Boat & Davit Co., Inc., New Orleans, La.

28'0" x 9'9½" x 4'1½" metallic motor-propelled lifeboat (680 Cu. Ft.) (Dwg. No. 2413), manufactured by Welin Davit & Boat Corporation, Perth Amboy, N. J.

Lifeboat Skates

Skates for lifeboats (Dwg. Nos. 143 and 143A, dated January 1943), manufactured by R. C. Cowles, Baltimore, Md.

Davits

Welin-Maclachlan Gravity Davit, Type 48/21 (Dwg. No. 2397, dated 6 October 1942) (Maximum working load of 10,500 pounds per arm, of which 3,348 pounds is allowed on nesting bracket), manufactured by Welin Davit & Boat Corporation, Perth Amboy, N. J.

Welin-Maclachlan Gravity Davit, Type 40/19 (Dwg. No. 2412, dated 6 October 1942) (Maximum working load of 9,040 pounds per arm, of which 4,018 is allowed on nesting bracket), manufactured by Welin Davit & Boat Corporation, Perth Amboy, N. J.

Life Floats

10-, 15-, 25-, 40-, and 60-person elliptical balsa wood life floats (Dwg. No. G–298 dated 25 November 1942), manufactured by C. C. Galbraith & Son, Inc., New York, N. Y.

Lifeboat Bilge Pumps

Lifeboat bilge pump (Dwg. No. 2403, dater 13 October 1942), manufactured by Welin Davit & Boat Corp., Perth Amboy, N. J.

Lifesaving Nets

Steel lifesaving net, Type No. 6M–L, manufactured by H. K. Metalcraft Manufacturing Co., New York, N. Y.

Steel lifesaving net (Dwg. No. M–310, dated 3 February 1943), manufactured by American Chain Ladder Co., Inc., New York, N. Y.

Ring Life Buoys

30" balsa wood ring life buoy (Dwg. No. S. R.–B–30, dated 2 November 1942), (Approval No. B–175), manufactured by Seaway Manufacturing Company, New Orleans, La.

Water Lights

Delta automatic floating electric water light, Type A–2051 (Dwg. No. A–2051, dated 26 September 1942), manufactured by Delta Electric Company, Marion, Ind.

Contour-A-Form automatic floating electric water light (Dwg. No. A) manufactured by Contour-A-Form Equipment Co., New York, N. Y.

Gas Mask

Gas mask No. BM–1408 (BM–1408 canister, BM–1408F face piece, and BM–1408 canister harness), manufactured by Davis Emergency Equipment Co., Inc., Newark, N. J. (Approved for use against ammonia vapors only.)

Fire Extinguisher

DuGas Models 15M and 30M dry chemical carbon dioxide cartridge type fire extinguishers, manufactured by DuGas Engineering Corporation, Chicago, Ill.

Daytime Distress Signals

V-K Mark 1 Daytime Distress Signal manufactured by Van Kerner Chemical Arms Corporation, New York, New York.

R. R. WAESCHE,
Commandant.

FEBRUARY 26, 1943.

[F. R. Doc. 43–3137; Filed, February 27, 1943; 9: 54 a. m.]

TITLE 46—SHIPPING

Chapter IV—War Shipping Administration

[General Order 28,[1] Supp. 2]

PART 306—GENERAL AGENTS AND AGENTS

BONDING OF SHIPS' PERSONNEL RECEIVING ADVANCES FOR ACCOUNT OF WAR SHIPPING ADMINISTRATION

Section 306.61, as amended January 29, 1943, is amended to read as follows:

§ 306.61 *Bonding of ships' personnel.* From and after March 15, 1943 no moneys or property shall be advanced to a Master or purser, and no money shall be advanced to any other member of the ships' personnel for the account of the War Shipping Administration, unless such person is under a bond indemnifying the United States against loss of such moneys or property caused, solely or in part, by the dishonesty or lack of care of any such person in the performance of the duties of any position covered by the bond.

Section 306.62 is amended to read as follows:

§ 306.62 *Amount of bond and advances.* Such bonds shall be in an amount deemed by the agents to be sufficient to cover, as nearly as possible, the value of all moneys and property that may be advanced to any one person filling a bonded position hereunder at any one time; *Provided*, That no bond shall be required to provide indemnity in excess of $25,000 with respect to any one position, unless moneys in excess of that amount are advanced to the person filling such position, in which case the amount of the indemnity of the bond shall be in an amount at least equivalent to the amount of the moneys advanced.

(E.O. 9054, 7 F.R. 837)

E. S. LAND,
Administrator.

FEBRUARY 27, 1943.

[F. R. Doc. 43–3190; Filed, February 27, 1943; 4:17 p. m.]

[General Order 29,[2] Supp. 1]

PART 341—SHIP WARRANT RULES AND REGULATIONS

SUSPENSION OF RATE CEILINGS

General Order 29 (§ 341.75) is amended by striking out the word

[1] 8 F.R. 446.
[2] 8 F.R. 1597.

"March" and inserting in lieu thereof the word "April".

(E.O. 9054, 7 F.R. 837)

E. S. LAND,
Administrator.

FEBRUARY 26, 1943.

[F. R. Doc. 43-3132; Filed, February 26, 1943; 3:52 p. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter II—Office of Defense Transportation

[General Order ODT 10A]

PART 501—CONSERVATION OF MOTOR EQUIPMENT

SUBPART G—SIGHTSEEING, CHARTER AND OTHER SPECIAL SERVICES

Pursuant to Executive Orders 8989, 9156, and 9294, and in order to conserve and providently utilize vital transportation equipment, material and supplies; and to provide for the prompt and continuous movement of necessary traffic, the attainment of which purposes is essential to the successful prosecution of the war, General Order ODT 10, as amended (§§ 501.38–501.42 [1]), is hereby revised to read as follows: *It is hereby ordered,* That:

Sec.

AUTHORITY: §§ 501.38 to 501.44, inclusive, issued under E.O. 8989, 9156, 9294; 6 F.R. 6725, 7 F.R. 3349, 8 F.R. 221.

§ 501.38 *Definitions.* As used in this order (§§ 501.38 to 501.44) or in any order, permit, or regulations issued hereunder, the term:

(a) "Person" means any individual, partnership, corporation, association, joint stock company, business trust, or other organized group of persons or any trustee, receiver, assignee, or personal representative, and includes any department or agency of the United States, any State, the District of Columbia, any educational institution, any school district, any school board, or any other political, governmental or legal entity;

(b) "Bus" means any rubber-tired vehicle used in the transportation of passengers, having a capacity of ten (10) or more passengers;

(c) "Common carrier" means any person which holds itself out to the general public to engage in the transportation of passengers by bus for compensation;

(d) "Charter service" means the transportation by bus by a common carrier, whether or not for compensation, of:

(1) Any passenger or group of passengers who, pursuant to a common purpose or under a single contract or arrangement, acquires the right to use or to occupy, exclusively, the bus in which such passenger or passengers are transported; or

(2) Any passenger or passengers to whom individual tickets have been sold or with or for whom other individual transportation arrangements have been made, from or to any point or over any route, not regularly served by the common carrier facilities and the established scheduled services of the person performing such transportation;

(e) "Other special services" means the transportation by bus, whether or not for compensation, of a passenger or passengers by a person not a common carrier or performed other than as a common carrier;

(f) "Sightseeing service" means the transportation of passengers by bus, whether or not for compensation, or by any other rubber-tired vehicle propelled or drawn by mechanical power, if performed for compensation, for the primary purpose of permitting or enabling any passenger or passengers to see places or objects of general or special interest, whether or not the services of a driver or operator are provided with the vehicle;

(g) "Continental United States" means the forty-eight States and the District of Columbia.

§ 501.39 *Applicability.* This order shall be applicable only within the continental United States.

§ 501.40 *Certain charter service and other special services prohibited.* No person shall engage in charter service or other special services except:

(a) In the transportation hereinafter specified when such transportation cannot readily be performed by existing facilities and established scheduled services of common carriers of passengers operating over regular routes between fixed termini, to wit: The transportation of:

(1) Military or naval personnel of the United States, or of State military forces organized pursuant to section 61 of the National Defense Act, as amended, if such transportation is furnished on written request of the commanding officer of such personnel;

(2) Persons participating in organized recreational activities of any military or naval establishment, to or from such establishment, if such transportation is furnished on written request of the commanding officer of such establishment;

(3) Registrants to or from examining or induction stations on the written request of an authorized official engaged in the administration of the Selective Service System;

(4) Patients to or from clinics for medical attention, if such transportation is furnished on written request of an authorized official of the United States Public Health Service or of a State board of health;

(5) Students, teachers, and other school employees from their homes to their schools for the purpose of permitting such persons to attend a regular daily session of school, or from such schools to their homes after such attendance, provided that no such person shall be so transported in excess of one round-trip on any one calendar day;

(6) Employees en route between their homes and their places of work;

(7) Children under eighteen (18) years of age and their attendants, from their homes to summer camps, for the purpose of permitting such children to attend such camps for periods in excess of one day, or from such camps to their homes after such periods of attendance: *Provided, however,* That such service may be given only after written application showing the necessity therefor has been filed with and approved in writing by a Regional Office of the Office of Defense Health and Welfare Services, Division of Recreation;

(8) Persons en route between their homes and their places of regular weekly worship for the purpose of attending religious services and returning from such attendance;

(9) Civilians from their homes for purposes of evacuation, in the interest of their safety or to serve military purposes, or to their homes after evacuation, pursuant to orders of governmental or military authorities;

(10) Passengers of common carriers by railroad or by air en route on an established scheduled service operated over a regular route between fixed termini by any such carrier, if such transportation is furnished upon the written request of any such carrier and is furnished in lieu of and as a substitute for such established scheduled service of such carrier which has been temporarily discontinued or interrupted as a result of adverse weather conditions, an act of God, a catastrophe, accident, or other emergency not within the control of such carrier.

(b) In the transportation of:

(1) Insane, mentally disordered or mentally incompetent persons, prisoners, or others under the custody of authorized agents of the United States Government or of the District of Columbia or of any State or municipality, and their custodians, guards, and other necessary attendants, if such transportation is furnished upon written request of an authorized officer of the law or other official charged with the custody of such persons;

(2) A jury, its official custodians and other authorized court attendants, if such transportation is furnished upon written request of the presiding judge of the court in which such jury is serving;

(3) Persons transported in buses owned and operated by the Department of War, the Department of the Navy, or the United States Maritime Commission;

(4) Persons transported in accordance with, within the scope of, and pursuant to a transportation plan, arrangement or contract specifically approved in writing by the Office of Defense Transportation.

§ 501.41 *Sightseeing service prohibited.* No person shall perform any sightseeing service.

§ 501.42 *Special or general permits.* The provisions of this order shall be subject to any special or general permit issued by the Office of Defense Transporta-

[1] 7 F.R. 3786, 5950, 6060.

tion to meet specific needs or exceptional circumstances.

§ 501.43 *Notice of changes in operations of regulated motor carriers.* Every person engaged in charter service, sightseeing service, or other special services on the effective date of this order, who was required by law to file tariffs of rates, charges, rules, or practices, forthwith shall file with the Interstate Commerce Commission, in respect of transportation in interstate or foreign commerce, and with each appropriate State regulatory body in respect of intrastate commerce, and publish in accordance with law, and continue in effect until further order, tariffs or appropriate supplements to filed tariffs, setting forth any changes in the operations, rules, regulations, and practices of such person which may be necessary to accord with the provisions of this order, together with a notice describing the operations which will be or have been discontinued or suspended in compliance with the provisions of such tariffs or supplements, and a copy of this order; and forthwith shall apply to said Commission and each such regulatory body for special permission for such tariffs or supplements to become effective on one day's notice.

§ 501.44 *Communications.* Communications concerning this order should be addressed to the Division of Local Transport, Office of Defense Transportation, Washington, D. C., or to the nearest regional office of the Division of Local Transport, and should refer to "General Order ODT 10A".

This General Order ODT 10A shall become effective March 15, 1943. General Order ODT 10, as amended, is hereby revoked as of the effective date hereof.

Issued at Washington, D. C., this 1st day of March 1943.

JOSEPH B. EASTMAN,
Director.

[F. R. Doc. 43-3214; Filed, March 1, 1943; 10:59 a. m.]

[Revocation of General Permit ODT 6-10]

PART 521—CONSERVATION OF MOTOR EQUIPMENT—EXCEPTIONS, PERMITS, AND EXEMPTIONS

SUBPART E—LOCAL DELIVERY CARRIERS

EXPEDITED TRANSPORTATION SERVICE FOR ARMED FORCES AND CERTAIN GOVERNMENT AGENCIES

Pursuant to Executive Order 8989, General Permit O.D.T. 6-10 (§ 521.2010, 8 F.R. 2290), is hereby revoked, effective February 27, 1943.

Issued at Washington, D. C., this 27th day of February 1943.

JOSEPH B. EASTMAN,
Director.

[F. R. Doc. 43-3158; Filed, February 27, 1943; 11:13 a. m.]

[Exemption Order ODT 21-6]

PART 521 — CONSERVATION OF MOTOR EQUIPMENT: EXCEPTIONS, PERMITS, AND EXEMPTIONS

SUBPART M—CERTIFICATES OF WAR NECESSITY

TESTING EQUIPMENT

Pursuant to Executive Orders 8989, 9156, and 9294: *It is hereby ordered,* That:

§ 521.3505 *Exemption of commercial motor vehicles used exclusively in testing.* Any commercial motor vehicle used exclusively in testing tires, tubes, fuels, lubricants, coolants, parts, or equipment by the United States or any agency thereof, the District of Columbia, a State or any agency or political subdivision thereof, or by any person designated, authorized, required, or requested to conduct such tests by the military or naval forces of the United States, or State military forces organized pursuant to Section 61 of the National Defense Act, as amended; any commercial motor vehicle used exclusively in the course of training military or naval personnel in the proper maintenance or servicing of motor vehicles or other equipment of the armed forces, and any commercial motor vehicle used exclusively for the experimental testing of synthetic or natural rubber tires by manufacturers or producers of such tires is hereby exempted from the provisions of General Order ODT 21, as amended.

This exemption order (§ 521.3505) shall become effective on March 1, 1943.

(E.O. 8989, 9156, 9294; 6 F.R. 6725, 7 F.R. 3349, 8 F.R. 221; Gen. Order O.D.T. 21, 7 F.R. 7100, 9006, 9437, 10025, 8 F.R. 551)

Issued at Washington, D. C., this 27th day of February 1943.

JOSEPH B. EASTMAN,
Director.

[F. R. Doc. 43-3159; Filed, February 27, 1943; 11:13 a. m.]

[Exemption Order ODT 23-1A]

PART 521—CONSERVATION OF MOTOR EQUIPMENT: EXCEPTIONS, PERMITS, AND EXEMPTIONS

SUBPART O—LIMITATION ON SPEED OF MOTOR VEHICLES

TESTING EQUIPMENT

Pursuant to Executive Orders 8989 and 9156, Exemption Order ODT 23-1 is hereby superseded, and *It is hereby ordered,* That:

§ 521.3600 *Exemption of motor vehicles used in testing.* (a) Any motor vehicle used in testing tires, tubes, fuels, lubricants, coolants, parts, or equipment by the United States or any agency thereof, the District of Columbia, a State or any agency or political subdivision thereof, or by any person designated, authorized, required, or requested to conduct such tests by the military or naval forces of the United States, or State military forces organized pursuant to section 61 of the National Defense Act, as amended; any motor vehicle used in the course of training military or naval personnel in the proper maintenance or servicing of motor vehicles or other equipment of the armed forces, and any motor vehicle used exclusively for the experimental testing of synthetic or natural rubber tires by manufacturers or producers of such tires is hereby exempted from the provisions of General Order ODT 23 during the periods such motor vehicle is being so used: *Provided,* There is displayed on such motor vehicle during such operations a triangular pennant (approximately 13 x 19 x 19 inches in size) made of a dual thickness of No. 275 white linen (drill) or similar material edged with ¼ inch red cotton bias binding or its equivalent, and upon both sides of which is inscribed in blue the letter "V" (not less than 7½ inches in height) followed by the word "EMERGENCY" (in letters approximately 1 inch in height). Beneath the letter "V" there shall appear in blue lettering the legend "Authorized by the Office of Defense Transportation" (in letters approximately ⅛ inch in height). Such pennant shall be displayed at the front of such motor vehicle by attachment to the front bumper or brackets and centered so that it is approximately midway between the two headlights. It shall be attached by the method most suitable to the particular vehicle and in such a manner as not to interfere with the safe operation of the vehicle but so attached that it can be seen plainly by the public when the vehicle is in operation on any public highway.

(b) The provisions of this exemption order (§ 521.3600) shall not be so construed or applied as to permit any person to drive or operate, or cause, permit, suffer, or allow to be driven or operated, any motor vehicle at a rate of speed which is in excess of the applicable speed limit duly prescribed by other competent public authority.

This exemption order (ODT 23-1A) shall become effective on March 1, 1943.

(E.O. 8989, 9156; 6 F.R. 6725, 7 F.R. 3349; Gen. Order O.D.T. 23, 7 F.R. 7694; Exemption Order O.D.T. 23-1, 7 F.R. 9089)

Issued at Washington, D. C., this 27th day of February 1943.

JOSEPH B. EASTMAN,
Director.

[F. R. Doc. 43-3160; Filed, February 27, 1943; 11:13 a. m.]

[Suspension Order ODT 15, Rev.-3]

PART 522—DIRECTION OF TRAFFIC MOVEMENT: EXCEPTIONS, SUSPENSIONS, AND PERMITS

SUBPART E—TRANSPORTATION OF COAL BETWEEN UNITED STATES PORTS ON THE ATLANTIC OCEAN

SUSPENSION OF CERTAIN PROVISIONS

Pursuant to § 502.37 of General Order ODT 15, Revised, *It is hereby ordered,* That:

§ 522.627 *Suspension of provisions of paragraph* (b) § *502.31 of General Order ODT 15, Revised.* All provisions of paragraph(s), § 502.31 of General Order ODT 15, Revised, shall be and the same are hereby further suspended until April 1, 1943.

Issued at Washington, D. C., this 26th day of February 1943.

JOSEPH B. EASTMAN,
Director

[F. R. Doc. 43-3161; Filed, February 27, 1943; 11:13 a. m.]

TITLE 50—WILDLIFE

Chapter III—International Fisheries Commission

PART 301—PACIFIC HALIBUT FISHERIES

REGULATIONS ADOPTED

Regulations of the International Fisheries Commission adopted pursuant to the Pacific Halibut Fishery Convention between the United States of America and the Dominion of Canada, signed January 29, 1937.

Sec.
301.1 Regulatory areas.
301.2 Limit of catch in each area.
301.3 Length of closed season.
301.4 Issuance of licenses and conditions limiting their validity.
301.5 Retention of halibut taken with other fish under permit.
301.6 Issuance of permits and conditions limiting their validity.
301.7 Statistical return by vessels.
301.8 Statistical return by dealers.
301.9 Closed small halibut grounds.
301.10 Dory gear prohibited in Areas 1 and 2.
301.11 Set nets prohibited.
301.12 Responsibility of master.
301.13 Supervision of unloading and weighing.
301.14 Previous regulations superseded.

AUTHORITY: §§ 301.1 to 301.14, inclusive, issued under 50 Stat. 1351.

§ 301.1 *Regulatory areas.* (a) The convention waters shall be divided into the following areas, all directions given being magnetic.

(b) Area 1 shall include all convention waters southeast of a line running northeast and southwest through Willapa Bay Light on Cape Shoalwater, as shown on Chart 6185, published in July, 1939, by the United States Coast and Geodetic Survey, which light is approximately in latitude 46°43'17" N., longitude 124°04' 15" W.

(c) Area 2 shall include all convention waters off the coasts of the United States of America and of Alaska and of the Dominion of Canada between Area 1 and a line running through the most westerly point of Glacier Bay, Alaska, to Cape Spencer Light as shown on Chart 8304, published in June, 1940, by the United States Coast and Geodetic Survey, which light is approximately latitude 58°11'57" N., longitude 136°38'18" W., thence south one-quarter east and is exclusive of the areas closed to all halibut fishing in § 301.9 of these regulations.

(d) Area 3 shall include all the convention waters off the coast of Alaska that are between Area 2 and a straight line running south from the southwestern extremity of Cape Sagak on Umnak Island, at a point approximately latitude 52°49'30" N., longitude 169°07'00" W., according to Chart 8802, published in January, 1942, by the United States Coast and Geodetic Survey, and that are south of the Alaska Peninsula and of the Aleutian Islands and shall also include the intervening straits or passes of the Aleutian Islands.

(e) Area 4 shall include all convention waters which are not included in Areas 1, 2, and 3, and in those areas defined in § 301.9 of these regulations.

§ 301.2 *Limit of catch in each area.* (a) The catch of halibut to be taken during the halibut fishing season of the year 1943 from Area 2 shall be limited to approximately 23,000,000 pounds of salable halibut, and from Area 3 to approximately 27,500,000 pounds of salable halibut, the weights in each or any such limit to be computed as with heads off and entrails removed.

(b) The catch of halibut to be taken from each area during the halibut fishing season of the year 1943 shall also be limited to halibut weighing 5 pounds or over as computed with heads off, entrails removed or to halibut weighing 5 pounds 13 ounces or over as computed with heads on, entrails removed and the possession of any halibut of less than the above weights by any vessel or by any master or operator of any vessel or by any person, firm or corporation, is prohibited.

(c) The International Fisheries Commission shall as early in the said year as is practicable determine the date on which it deems each limit of catch defined in paragraph (a) of this section will be attained, and the limit of each such catch shall then be that which shall be taken prior to said date, and fishing for or catching of halibut in the area or areas to which such limit applies shall at that date be prohibited until after the end of the closed season as defined and modified in § 301.3 of these regulations, except as provided in § 301.5 thereof and in Article I of the Convention, and provided that if it shall at any time become evident to the International Fisheries Commission that the limit will not be reached by such date, it may substitute another date.

§ 301.3 *Length of closed season.* (a) Under the authority of Article I of the aforesaid Convention the closed season as therein defined shall be modified so as to end at 12 midnight of the 15th day of April of the year 1943 and of each year thereafter and shall begin at 12 midnight of the 30th day of November of each year unless an earlier date is determined upon for any area under the provisions of paragraph (b) of this section of these regulations: *Provided,* That the International Fisheries Commission may fix any date subsequent to the 1st day of November as the commencement of the closed season regardless of the catch which it deems will be attained by such date.

(b) Under authority of Article I of the Convention, the closed season as therein defined shall begin in each area on the date on which the limit is reached as provided in paragraph (c) of § 301.2 of these regulations and the closing of such area or areas shall be taken to have been duly approved unless before the said date either the President of the United States of America or the Governor General of Canada shall have signified his disapproval, (the burden of proving any such signification being upon the person alleging it) and provided that the closing date of Area 2 or of Area 3, whichever shall be later, shall apply to Area 4, and that the closure of Area 2 shall apply to Area 1.

(c) Nothing contained in these regulations shall prohibit the fishing for species of fish other than halibut or prohibit the International Fisheries Commission from conducting fishing operations as provided for in Article I of the Convention.

§ 301.4 *Issuance of licenses and conditions limiting their validity.* (a) All vessels of any tonnage which shall fish for halibut in any manner or hold halibut in possession in any area, or which shall transport halibut otherwise than as a common carrier documented by the Government of the United States or of Canada for the carriage of freight, must be licensed by the International Fisheries Commission, provided that vessels of less than five net tons or vessels which do not use set lines or bottom nets or trawls, need not be licensed unless they shall require a permit as provided in § 301.5 of these regulations.

(b) Each licensed vessel shall carry this license on board at all times while at sea whether it is validated for halibut fishing or endorsed with a permit as provided in § 301.6 of these regulations and this license shall at all times be subject to inspection by authorized officers of either of said Governments or by representatives of the International Fisheries Commission.

(c) The license shall be issued without fee by the customs officers of either of said Governments or by representatives of the International Fisheries Commission. A new license may be issued by the officer accepting statistical return at any time to vessels which have furnished proof of loss of the license form previously issued, or when there shall be no further space for record thereon, providing the receipt of statistical return shall be shown on the new form for any halibut or other species taken during or after the voyage upon which loss occurred. The old license form shall be forwarded in each case to the International Fisheries Commission.

(d) The license of any vessel shall be validated before departure from port for each fishing operation for which statistical returns are required. This validation of a license shall be by customs officers or by fishery officers of either of said Governments when available at places where there are no customs officers and shall not be made unless the area in which the vessel will fish is entered on the license form and unless the provisions of § 301.7 of these regulations have been complied with for all landings and all fishing operations since issue of the license: *Provided,* That if the master or operator of any vessel shall fail to

comply with the provisions of § 301.7 of these regulations, the license of such vessel may be validated by customs officers upon evidence either that there has been a judicial determination of the offense or that the laws prescribing penalties therefor have been complied with, or that the said master or operator is no longer responsible for, nor sharing in, the operations of said vessel.

(e) No license shall be valid for halibut fishing in more than one area, as defined in § 301.1 of these regulations, during any one trip nor shall it be revalidated for halibut fishing in another such area while the vessel has any halibut on board.

(f) The license shall not be valid for halibut fishing in any area closed to halibut fishing or for the possession of halibut in any area closed to halibut fishing except while in actual transit to or within a port of sale.

(g) The license shall not be valid for halibut fishing in any area while a permit endorsed thereon is in effect, nor shall it be validated while halibut taken under such permit is on board.

(h) The license of any vessel shall not be valid for the possession of any halibut in any area other than that for which validated, if such vessel is in possession of baited gear, except in those waters included within a twenty-five mile radius of Cape Spencer Light, Alaska.

§ 301.5 *Retention of halibut taken with other fish under permit.* (a) There may be retained in possession on any vessel which shall have a permit as provided in § 301.6 of these regulations such halibut as is caught incidentally to fishing by that vessel in any area that is closed to halibut fishing under § 301.2 of these regulations with set lines (of the type commonly used in the Pacific coast halibut fishery) for other species, not to exceed at any time one pound of halibut for each seven pounds of salable fish of other species not including salmon or tuna, and such halibut may be sold as the catch of said vessel, the weight of all fish to be computed as with heads off and entrails removed.

(b) The catch of halibut taken and retained under such permit shall be limited to halibut weighing 5 pounds or over as computed with heads off, entrails removed or to halibut weighing 5 pounds 13 ounces or over as computed with heads on, entrails removed and the possession of any halibut of less than the above weights by any vessel or by any master or operator of any vessel or by any person, firm or corporation, is prohibited.

(c) Halibut retained under such permit shall not be landed or otherwise removed or be received by any person, firm or corporation from the catching vessel until all halibut on board shall have been reported to a customs, fishery or other authorized officer of either of said Governments nor shall any vessel receive it for transportation unless it shall be reported to the said officer prior to departure from port, and no halibut or other fish shall be landed or removed or be received from the catching vessel except under such supervision as the said officer may deem advisable.

(d) Halibut retained under such permit shall not be purchased or held in possession by any person other than the master, operator or crew of the catching vessel in excess of the proportion herein allowed until such excess whatever its origin shall have been forfeited and surrendered to the customs, fishery or other authorized officers of either of said Governments. In forfeiting such excess, the vessel shall be permitted to surrender any part of its catch of halibut, provided that the amount retained shall not exceed the proportion herein allowed.

(e) Permits for the retention and landing of halibut in the year 1943 shall become invalid at 12 midnight of the 30th day of November of said year.

§ 301.6 *Issuance of permits and conditions limiting their validity.* (a) Any vessel which shall be used in fishing for other species than halibut in any area closed to halibut fishing under § 301.2 of these regulations must have a license and a permit if it shall retain, land or sell any halibut caught incidentally to such fishing or possess any halibut of any origin during such fishing, as provided in § 301.5 of these regulations.

(b) The permit shall be shown by endorsement of the issuing officer on the face of the halibut license form held by said vessel and shall show the area for which the permit is issued.

(c) The permit shall terminate at the time of first landing thereafter of fish of any species and a new permit shall be secured before any subsequent fishing operation for which a permit is required.

(d) A permit shall not be issued to any vessel which shall have halibut on board taken while licensed to fish in an open area unless such halibut shall be considered as taken under the issued permit and as thereby subject to forfeiture when landed if in excess of the amount permitted in § 301.5 of these regulations.

(e) A permit shall not be issued to, or be valid if held by, any vessel which shall fish with other than set lines of the type commonly used in the Pacific coast halibut fishery.

(f) The permit of any vessel shall not be valid unless the permit is granted before departure from port for each fishing operation for which statistical returns are required. This granting of a permit shall be by customs officers or by fishery officers of either of said Governments when available at places where there are no customs officers and shall not be made unless the area in which the vessel will fish is entered on the license form and unless the provisions of Section 7 of these regulations have been complied with for all landings and all fishing operations since issue of the license or permit: *Provided*, That if the master or operator of any vessel shall fail to comply with the provisions of Section 7 of these regulations, the permit of such vessel may be granted by customs officers upon evidence either that there has been a judicial determination of the offense or that the laws prescribing penalties therefor have been complied with, or that the said master or operator is no longer responsible for, nor sharing in, the operations of said vessel.

§ 301.7 *Statistical return by vessels.* (a) Statistical return as to the amount of halibut taken during fishing operations must be made by the master or operator of any licensed vessel and as to the amount of halibut and other species by the master or operator of any vessel operating under permit as provided for in §§ 301.5 and 301.6 of these regulations, within 48 hours of landing, sale or transfer of halibut or of first entry thereafter into a port where there is an officer authorized to receive such return, except that when operating within any area in which the catch is not limited in amount by these regulations the master or operator of a licensed vessel shall make statistical returns at such times as are required by the customs officers or the International Fisheries Commission, but shall at all times keep with the license form such records as are necessary to make such return.

(b) The statistical return must state the port of landing and the amount of each species taken within the area defined in these regulations, for which the vessel's license is validated.

(c) The statistical return must include all halibut landed or transferred to other vessels and all halibut held in possession on board and must be full, true and correct in all respects herein required. A copy of such return must be forwarded to the International Fisheries Commission at such times as the latter shall require.

(d) The master or operator and/or any person engaged on shares in the operation of any vessel licensed or holding a permit under these regulations may be required by the International Fisheries Commission or by any officer of either of said Governments authorized to receive such return to certify to its correctness to the best of his information and belief and to support the certificate by a sworn statement. Validation of a license or issuance of a permit after such sworn return is made shall be provisional and shall not render the license or permit valid in case the return shall later be shown to be false or fraudulently made.

(e) The master or operator of any vessel holding a license or permit under these regulations shall keep an accurate log of all fishing operations including therein date, locality, amount of gear used, and the amount of halibut taken daily in each such locality. This log record shall be open to inspection of representatives of the International Fisheries Commission authorized for this purpose.

(f) The master, operator and/or any other person engaged on shares in the operation of any vessel licensed under these regulations may be required by the International Fisheries Commission or by any officer of either of said Governments to certify to the correctness of such log record to the best of his information and belief and to support the certificate by a sworn statement.

§ 301.8 *Statistical return by dealers.* (a) All persons, firms or corporations that shall buy halibut or receive halibut for any purpose from fishing or transporting vessels or other carrier shall keep and on request furnish to customs officers or to any enforcing officer of either of said Governments or to representatives of the International Fisheries Commission, records of each purchase or receipt of halibut, showing date, locality, name of vessel, person, firm or corporation purchased or received from and the amount in pounds according to trade categories of the halibut and other species landed with the halibut.

(b) All records of all persons, firms or corporations concerning the landing, purchase, receipt and sale of halibut and other species landed therewith shall be open at all times to inspection of any enforcement officer of either of said Governments or of any authorized representative of the International Fisheries Commission. Such persons, firms or corporations may be required to certify to the correctness of such records and to support the certificate by a sworn statement.

(c) The possession by any person, firm or corporation of halibut which such person, firm or corporation knows to have been taken by an unlicensed vessel or a vessel without a permit when such license or permit is required, is prohibited.

§ 301.9 *Closed small halibut grounds.* (a) The following areas have been found to be populated by small immature halibut and are hereby closed to all halibut fishing and the possession of halibut of any origin is prohibited therein during fishing for other species:

(b) First, that area in the waters off the coast of Alaska within the following boundary as stated in terms of the magnetic compass unless otherwise indicated: From the north extremity of Cape Ulitka, Noyes Island, approximately latitude 55°33'48" N., longitude 133°43'35" W., to the south extremity of Wood Island, approximately latitude 55°39'44" N., longitude 133°42'29" W.; thence to the east extremity of Timbered Islet, approximately latitude 55°41'47" N., longitude 133°47'42" W.; thence to the true west extremity of Timbered Islet, approximately latitude 55°41'46" N., longitude 133°48'01" W.; thence southwest three-quarters south sixteen and five-eighths miles to a point approximately latitude 55°34'46" N., longitude 134°14'40" W.; thence southeast by south twelve and one-half miles to a point approximately latitude 55°22'23" N., longitude 134°12'48" W.; thence northeast thirteen and seven-eighths miles to the southern extremity of Cape Addington, Noyes Island, latitude 55°26'11" N., longitude 133°49'12" W.; and to the point of origin on Cape Ulitka. The boundary lines herein indicated shall be determined from Chart 8157, as published by the United States Coast and Geodetic Survey at Washington, D. C., in June, 1929, and Chart 8152, as published by the United States Coast and Geodetic Survey at Washington, D. C., in March, 1933, and reissued March, 1939, except for the point of Cape Addington which shall be determined from Chart 8158, as published by the United States Coast and Geodetic Survey in December, 1923, provided that the duly authorized officers of the United States of America may at any time place a plainly visible mark or marks at any point or points as nearly as practicable on the boundary line defined herein, and such mark or marks shall thereafter be considered as correctly defining said boundary.

(c) Second, that area lying in the waters off the north coast of Graham Island, British Columbia, within the following boundary: from the northwest extremity of Wiah Point, latitude 54°06'50" N., longitude 132°19'18" W., true north five and one-half miles to a point approximately latitude 54°12'20" N., longitude 132°19'18" W.; thence true east approximately sixteen and three-tenths miles to a point which shall lie northwest (according to magnetic compass at any time) of the highest point of Tow Hill, Graham Island, latitude 54°04'24" N., longitude 131°48'00" W.; thence southeast to the said highest point of Tow Hill. The points on the shoreline of the above mentioned island shall be determined from Chart 3754, published at the Admiralty, London, April 11, 1911, provided that the duly authorized officers of the Dominion of Canada may at any time place a plainly visible mark or marks at any point or points as nearly as practicable on the boundary line defined herein, and such marks shall thereafter be considered as correctly defining said boundary.

§ 301.10 *Dory gear prohibited in Areas 1 and 2.* The use of any hand gurdy or other appliance in hauling halibut gear by hand power in any dory or small boat operated from a vessel licensed under the provisions of these regulations is prohibited in Areas 1 and 2.

§ 301.11 *Set nets prohibited.* It is prohibited to take or to retain halibut with a set net of any kind or to have in possession any halibut while using any such net for other species of fish, nor shall any license or permit held by any vessel under these regulations be valid during the use or possession on board of any such net.

§ 301.12 *Responsibility of master.* Wherever in these regulations any duty is laid upon any vessel, it shall be the personal responsibility of the master or operator of said vessel to see that said duty is performed and he shall personally be responsible for the performance of said duty. This provision shall not be construed to relieve any member of the crew of any responsibility with which he would otherwise be chargeable.

§ 301.13 *Supervision of unloading and weighing.* The unloading and weighing of the halibut of any vessel licensed or holding a permit under these regulations shall be under such supervision as the customs or other authorized officer may deem advisable in order to assure the fulfilment of the provisions of these regulations.

§ 301.14 *Previous regulations superseded.* These regulations shall supersede all previous regulations adopted pursuant to the Convention between the United States of America and the Dominion of Canada for preservation of the halibut fishery of the northern Pacific Ocean and Bering Sea, signed January 29, 1937, except as to offsenses occurring prior to the approval of these regulations. Any determination made by the International Fisheries Commission pursuant to these regulations shall become effective immediately.

EDWARD W. ALLEN,
Chairman.
A. J. WHITMORE,
CHARLES E. JACKSON,
L. W. PATMORE,
Secretary.

Approved: February 15, 1943.

FRANKLIN D ROOSEVELT

[F. R. Doc. 43-3152; Filed, February 27, 1943; 10:20 a. m.]

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. 1874-FD]

SOUTHERN COAL CO., INC.

ORDER OF THE DIRECTOR

In the matter of the application of Southern Coal Company, Incorporated, for permission to receive sales agents' commissions and distributors' discounts on coal sold by it to Heritage Coal and Stoker Company.

Upon the basis of the findings of fact and conclusions of law set forth in the Opinion of the Director filed simultaneously herewith, wherein it appears that the affiliation or relationship which presently exists between petitioner, Southern Coal Company, Incorporated, a registered distributor, (Registration No. 8561) and the Heritage Coal and Stoker Company of Chicago, Illinois, does not prohibit the allowance of distributors' discounts or sales agents' commissions which petitioner is entitled to accept or retain on coal sold by petitioner to Heritage Coal and Stoker Company; and pursuant to § 304.19 (c) of the Rules and Regulations for the Registration of Distributors, Rule 10 of section II of the Marketing Rules and Regulations and the provisions of the Bituminous Coal Act of 1937;

It is hereby determined that the acceptance or retention of distributors' discounts or sales agents' commissions on coal sold by petitioner, Southern Coal Company, Incorporated to Heritage Coal and Stoker Company, otherwise permitted by the Bituminous Coal Act of 1937 and the Rules and Regulations issued thereunder, are not prohibited by § 304.19 (c) of the Rules and Regulations for the Registration of Distributors, Rule 10 of section II of the Marketing Rules and Regulations, and that the relief prayed in the petition, as amended, should be granted.

It is so ordered.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-3153; Filed, February 27, 1943; 11:05 a. m.]

[Docket No. B-117]

CAMP CREEK COAL CO.

ORDER GRANTING APPLICATION, ETC.

In the matter of Andrew J. Fry and J. C. Fry, individually and as co-partners, doing business under the name and style of J. C. Fry and A. J. Fry (also known as Camp Creek Coal Company), Code Member.

Order granting application filed pursuant to § 301.132 of the Rules of Practice and Procedure before the division for disposition of proceedings without formal hearing, revoking code membership and cancelling hearing.

A complaint dated October 13, 1941, pursuant to the provisions of section 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 (the "Act" having been duly filed on October 14, 1941, by the Bituminous Coal Producers Board for District No. 8 (the "Complainant"), alleging that Andrew J. Fry and J. C. Fry, individually and as co-partners, doing business under the name and style of J. C. Fry and A. J. Fry (also known as Camp Creek Coal Company) operating a mine designated as Mine Index No. 2421 located in Wayne County, West Virginia, District No. 8, wilfully violated the provisions of the Act, the Bituminous Coal Code (the "Code"), rules and regulations, respectively promulgated thereunder by the Bituminous Coal Division, and the Schedule of Effective Minimum Prices for District No. 8 for All Shipments Except Truck, as more fully set forth in the complaint;

The complaint herein and Notice of and Order for Hearing issued January 15, 1942, having been duly served on said code member on January 23, 1942, and hearing herein having been postponed by Order issued March 2, 1942, to a time and place to be thereafter designated by an appropriate order;

Said code member having filed with the Division on February 19, 1942, an application dated February 17, 1942 (the "Application") for the disposition of this compliance proceeding without formal hearing, pursuant to § 301.132 of the Rules of Practice and Procedure before the Division;

Notice dated March 3, 1942, of the filing of the Application having been published in the FEDERAL REGISTER on March 4, 1942, pursuant to said § 301.132 and copies thereof having been duly mailed to interested parties including the complainant herein; and said Notice of Filing having provided that interested parties desiring to do so might within fifteen (15) days from the date of said Notice, file recommendations or requests for informal conferences in respect to said Application and it appearing that no such recommendations or requests have been filed with the Division;

It appearing from the application that the applicants admit wilfully committing the violations alleged in the complaint herein by selling, delivering and offering to sell on various dates between May 25, 1941 and June 8, 1941, to the Ann Arbor Railroad Company, Norman B. Pitcairn and Frank C. Nicodemus, Jr., Receivers, for use as railroad locomotive fuel, 350 tons of Size Group 7, or 5" x 2" egg coal produced by the applicants at their mine located in Wayne County, West Virginia, and designated as Mine Index No. 2421, at a price of $1.85 per net ton, f. o. b. said mine, whereas the effective minimum price established for such coals was $2.30 per net ton f. o. b. said mine at the time said transactions occurred; and it further appearing from the Application that applicants represent that to the best of their knowledge and belief they have not committed any violations of the Act, the Code, or rules and regulations thereunder other than those admitted and particularly described in the Application;

It further appearing from the Application that the applicants consent to the entry by the Director of an order cancelling and revoking code membership, or of an order directing them to cease and desist from violations of the Code and rules and regulations thereunder, or of an order revoking their code membership and also enjoining and restraining them from violations of the Code and regulations made thereunder, upon any restoration of their code membership;

It further appearing from the Application that the applicants consent to the imposition of a tax in the amount of $313.95, payment of which shall be required as a condition precedent to the restoration of code membership of the applicants and which the applicants agree to pay to the United States Government immediately upon being served with the order revoking their code membership.

Now, therefore, pursuant to the authority vested in the Division by said section 4 II (j) of the Act, authorizing it to adjust complaints and to compose the differences of the parties thereto, and upon the Application of the applicants for disposition hereof without formal hearing and upon evidence in the possession of the Division: *It is hereby found* That:

Andrew J. Fry and J. C. Fry, individually and as co-partners doing business under the name and style of J. C. Fry and A. J. Fry (Also known as Camp Creek Coal Company) filed with the Division their acceptance of code membership dated January 18, 1940, which became effective as of January 18, 1940, and ever since have been and now are code members engaged in the business of mining and producing bituminous coal at mine designated as Mine Index No. 2421, located in Wayne County, West Virginia, in District No. 8;

Said Andrew J. Fry and J. C. Fry, as aforesaid, during the period May 25, 1941 to June 8, 1941, wilfully violated the provisions of the Act, the Code, Rules and Regulations and Schedule of Effective Minimum Prices thereunder, by offering to sell, selling and delivering approximately 350 tons of Size Group 7, 5" x 2" egg coal produced at their mine designated as Mine Index No. 2421, to the Ann Arbor Railroad Company, Norman B. Pitcairn and Frank C. Nicodemus, Jr., Receivers, for use as railway locomotive fuel at a price of $1.85 per net ton f. o. b. said mine for rail shipments, whereas the effective minimum price for said coal was $2.30 per net ton f. o. b. said mine for rail shipments as stated and set forth in the Schedule of Effective Minimum Prices for District No. 8, for All Shipments Except Truck.

Now, therefore, on the basis of the above findings and said admissions and the consent of Andrew J. Fry and J. C. Fry, contained in their Application filed pursuant to § 301.132 of the Rules of Practice and Procedure before the Division;

It is ordered, That the Application be, and the same hereby is granted;

It is further ordered, That pursuant to section 5 (b) of the Act, the membership of Andrew J. Fry and J. C. Fry, individually and as co-partners, doing business under the name and style of A. J. Fry and J. C. Fry (also known as Camp Creek Coal Company) in the Code be, and the same hereby is, revoked and cancelled, said revocation and cancellation to become effective fifteen (15) days from the date of service of a copy hereof on said applicants;

It is further ordered, That prior to the restoration of Andrew J. Fry or J. C. Fry, individually or both of them as co-partners, doing business under the name and style of A. J. Fry and J. C. Fry (also known as Camp Creek Coal Company) to membership in the Code, there shall be paid to the United States a tax in the amount of $313.95 as provided in section 5 (c) of the Act;

It is further ordered, That upon any restoration of code membership of Andrew J. Fry or J. C. Fry, individually or as co-partners, they and each of them, their representatives, servants, agents, officers, employees, attorneys, receivers, successors, assigns and all persons acting or claiming to act in their behalf or interest, shall cease and desist and they are hereby permanently enjoined and restrained from violating the Bituminous Coal Act, the Bituminous Coal Code and rules and regulations issued thereunder;

It is further ordered, That the hearing herein heretofore postponed by Order dated March 2, 1942, to a time and place to be thereafter designated by appropriate order be, and the same hereby is, cancelled;

It is further ordered, That upon any failure to comply with the restraining provisions of this order, the Division may apply to any Circuit Court of Appeals of the United States having jurisdiction for the enforcement thereof or take other appropriate action.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-3209; Filed, March 1, 1943; 10:45 a. m.]

[Docket No. B-118]

CAMP CREEK COAL CO.

ORDER GRANTING APPLICATION, ETC.

In the matter of Andrew J. Fry (also known as Andrew J. Fry, doing business as Camp Creek Coal Company), Code Member.

Order granting application filed pursuant to § 301.132 of the Rules of Practice and Procedure before the division for disposition of proceeding without formal hearing, revoking code membership and cancelling hearing.

A complaint dated October 13, 1941, pursuant to the provisions of sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 (the "Act") having been duly filed on October 14, 1941, by the Bituminous Coal Producers Board for District No. 8 (the "Complainant") alleging that Andrew J. Fry (also known as Andrew J. Fry doing business as Camp Creek Coal Company), a code member (the "Applicant"), operating the Camp Creek Coal Company Mine, Mine Index No. 2420, located in Wayne County, West Virginia, District No. 8, wilfully violated the provisions of the Act, the Bituminous Coal Code (the "Code"), rules and regulations respectively promulgated thereunder by the Bituminous Coal Division and the Schedule of Effective Minimum Prices for District No. 8 for All Shipments Except Truck, as more fully set forth in the complaint; and

The complaint herein and Notice of and Order for Hearing issued January 16, 1942, having been duly served on said code member on January 23, 1942, and the hearing herein having been postponed by Order issued March 2, 1942, to a time and place to be thereafter designated by an appropriate order;

Said code member having filed with the Division on February 19, 1942, an application dated February 17, 1942 (the "Application"), for the disposition of this compliance proceeding without formal hearing pursuant to § 301.132 of the Rules of Practice and Procedure before the Division;

Notice, dated March 3, 1942, of the filing of the application, having been published in the FEDERAL REGISTER on March 4, 1942, pursuant to said § 301.132 and copies thereof having been duly mailed to interested parties including the complainant herein; and said notice of filing having provided that interested parties desiring to do so might within fifteen (15) days from the date of said notice, file recommendations or requests for informal conferences in respect to said application and it appearing that no such recommendations or requests have been filed with the Division;

It appearing from the application that the applicant admits wilfully committing the violations alleged in the complaint herein by selling, delivering, and offering to sell on various dates between May 25, 1941 and June 8, 1941, inclusive, to the Ann Arbor Railway Company, Norman B. Pitcairn and Frank C. Nicodemus, Jr., Receivers, for use as railway locomotive fuel 350 tons of Size Group 7, or 5'' x 2'' egg coal produced by the applicant at his mine located in Wayne County, West Virginia, and designated as Mine Index No. 2420, at a price of $1.85 per net ton f. o. b. said mine, whereas the effective minimum price established for such coal was $2.30 per net ton f. o. b. said mine at the time said transactions occurred; and it further appearing from the application that the applicant to the best of his knowledge and belief has not committed any violations of the Act, the Code, or rules and regulations thereunder other than those admitted and particularly described in the application;

It further appearing from the application that the applicant consents to the entry by the Director of an Order cancelling and revoking his code membership, or to an Order directing him to cease and desist from violations of the Code and rules and regulations thereunder, or to an Order revoking applicant's code membership and also enjoining and restraining him from violations of the Code and regulations made thereunder, upon any restoration of his code membership;

It further appearing from the application that the applicant consents to the imposition of a tax in the amount of $313.95, payment of which shall be required as a condition precedent to the restoration of code membership of the applicant and which the applicant agrees to pay to the United States Government immediately upon being served with the order revoking his code membership;

Now, therefore, pursuant to the authority vested in the Division by said section 4 II (j) of the Act, authorizing it to adjust complaints and to compose the differences of the parties thereto and upon the application of the code member for disposition hereof without formal hearing and upon evidence in the possession of the Division; It is hereby found that:

Andrew J. Fry (Also known as Andrew J. Fry doing business as Camp Creek Coal Company) filed with the Division acceptance of code membership dated June 15, 1938, which became effective as of March 2, 1938, and ever since has been and is now a code member engaged in the business of mining and producing bituminous coal at the mine designated as Mine Index No. 2420 located in Wayne County, West Virginia, in District No. 8;

Said Andrew J. Fry, during the period May 25, 1941, to June 8, 1941, inclusive, wilfully violated the provisions of the Act, the Code, rules and regulations, and the schedule of effective minimum prices thereunder by offering to sell, selling and delivering approximately 350 tons of Size Group 7, 5'' x 2'' egg coal produced at his Camp Creek Coal Company Mine, Mine Index No. 2420, to the Ann Arbor Railway Company, Norman B. Pitcairn and Frank C. Nicodemus, Jr., Receivers, at a price of $1.85 per net ton f. o. b. said mine for rail shipment, whereas the effective minimum price for said coal was $2.30 per net ton f. o. b. said mine for rail shipment as established and set forth in the Schedule of Effective Minimum Prices for District No. 8 for All Shipments Except Truck;

Now, therefore, on the basis of the above findings and said admissions and the consent of Andrew J. Fry, contained in his application filed pursuant to § 301.132 of the Rules of Practice and Procedure before the Division;

It is ordered That the application be and the same hereby is granted;

It is further ordered, That pursuant to section 5 (b) of the Act the membership of Andrew J. Fry (also known as Andrew J. Fry, doing business as Camp Creek Coal Company) in the Code, be and the same hereby is revoked and cancelled, said revocation and cancellation to become effective fifteen (15) days from the date of service of a copy hereof on said applicant;

It is further ordered, That prior to the restoration of Andrew J. Fry (also known as Andrew J. Fry, doing business as Camp Creek Coal Company), to membership in the Code, there shall be paid to the United States a tax in the amount of $313.95 as provided in section 5 (c) of the Act;

It is further ordered, That upon any restoration of Andrew J. Fry to membership in the code said Andrew J. Fry, his representatives, servants, agents, officers, employees, attorneys, successors, assigns and all persons acting or claiming to act in his behalf or interest shall cease and desist, and they are hereby permanently enjoined and restrained from violating the Bituminous Coal Act, the Bituminous Coal Code and rules and regulations issued thereunder;

It is further ordered, That the hearing herein heretofore postponed by Order dated March 2, 1942, to a time and place to be thereafter designated by appropriate order be, and the same hereby is, cancelled;

It is further ordered, That upon any failure to comply with the restraining provisions of this Order the Division may apply to any Circuit Court of Appeals of the United States having jurisdiction for the enforcement hereof, or take other appropriate action.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-3210; Filed, March 1, 1943; 10:45 a. m.]

[Docket No. B-198]

BOOTH, INC.

ORDER GRANTING APPLICATION, ETC.

In the matter of Booth, Inc., Registration No. 0928, Registered Distributor.

Order granting application for disposition of compliance proceeding without formal hearing, suspending registration and cancelling hearing.

A Notice of and Order for Hearing having been issued on February 13, 1942, pursuant to § 304.14 of the Rules and Regulations for the Registration of Distributors to determine whether or not Booth, Inc., a registered distributor, Registration No. 0928, (the "Distributor") had committed violations of any provisions of the Act, the Code, and orders, rules and regulations promulgated thereunder; and

A copy of said Notice of and Order for Hearing having been served on the Distributor on February 19, 1942, and the hearing noticed therein to be held on March 11, 1942, at Catlettsburg, Kentucky, having been postponed by Order issued March 9, 1942, to a date and place to be thereafter designated by an appropriate order; and

The Distributor having duly filed with the Division on March 5, 1942, an application dated March 4, 1942 (the "Appli-

cation"), for the disposition of this proceeding without formal hearing pursuant to § 301.132 of the Rules of Practice and Procedure Before the Division; and

Notice, dated March 24, 1942, of the filing of said Application having been published in the FEDERAL REGISTER on March 25, 1942, providing therein that interested parties desiring to do so might within fifteen (15) days from the date of said notice file recommendations or requests for informal conferences in respect to said Application pursuant to said § 301.132; and

It appearing that no such recommendations or requests have been filed with the Division; and

It appearing from said application:

That the Distributor admits wilfully violating the Act, the Code, and rules and regulations promulgated thereunder, as set forth in the Notice of and Order for Hearing dated February 13, 1942; and

That the Distributor represents that to the best of its knowledge it has not committed any violations of the Act, the Code, and rules and regulations thereunder, other than those admitted and more particularly described in the Application;

That the Distributor (a) has agreed to restore to Code Members unlawfully accepted discounts or commissions as follows: Left Fork Coal Co., Inc., $62.02; J. C. Fry, $61.94; and J. C. Fry and Andrew J. Fry, co-partners, $29.60, and to pay all penalties, if any, imposed against them in compliance proceedings Docket Nos. B–64, B–117 and B–118, respectively, which, if based upon the full tonnage involved in those proceedings, would amount to $1,031.55, and (b) consents to an order revoking or suspending its registration as a distributor for a period of ten (10) days.

Now, therefore, upon the information contained in said Application for disposition of this proceeding without formal hearing and other evidence in possession of the Division,

It is hereby found:

That Booth, Inc., is a corporation organized and existing under the laws of the State of West Virginia, and is engaged as a Distributor in the business of purchasing and reselling bituminous coal;

That said Booth, Inc., filed with this Division an Application dated October 19, 1940, for registration as a registered distributor and Certificate No. 0928 was issued authorizing said corporation to act as a registered distributor, and that said corporation has ever since been and is now acting as a registered distributor;

That on various dates between May 27, 1941, and June 7, 1941, both dates inclusive, the Distributor wilfully violated the provisions of the Act, the Code and rules and regulations thereunder, while acting as sales agent for code-member producers as follows by the:

(a) Substitution of 419.05 tons of 2" x 5" egg coal produced at the Sellards No. 1 Mine (Mine Index No. 2431) of Left Fork Fuel Company, Inc., a code member in District No. 8, on railway fuel orders obtained from the Ann Arbor Railway Company, specifying 6" resultant mine run coal, and sale of said coal to said railway company at the price of $1.85 per net ton f. o. b. said mine, the applicable mine price for such egg coal being $2.30 per net ton f. o. b. the mine, and accepting and retaining unauthorized sales agent's commissions in the sum of $62.02 on said sale;

(b) Substitution of 418.5 tons of 2" x 5" egg coal produced at the Camp Creek Coal Company Mine (Mine Index No. 2420) of A. J. Fry, a code member in District No. 8, on railway fuel orders obtained from Ann Arbor Railway Company specifying 6" resultant mine run coal, and sale of said coal to said railway company at the price of $1.85 per net ton f. o. b. said mine, the applicable mine price for such egg coal being $2.30 per net ton f. o. b. the mine, and accepting and retaining unauthorized sales agent's commissions in the sum of $61.94 on said sale;

(c) Substitution of 200 tons of 2" x 5" egg coal produced at the Hall Brothers Mine (Mine Index No. 2421) of J. C. Fry and Andrew J. Fry, co-partners, doing business under the name and style of J. C. Fry and A. J. Fry, a code member in District No. 8, on railway fuel orders obtained from the Ann Arbor Railway Company specifying 6" resultant mine run coal, and sale of said coal to said railway company at the price of $1.85 per net ton f. o. b. said mine, the applicable mine price for such egg coal being $2.30 per net ton f. o. b. the mine; and accepting and retaining unauthorized sales agent's commissions in the sum of $29.60 on said sale; and

(d) Substitution of 152.2 tons of 2" x 5" egg coal produced at the Fry Mine (Mine Index No. 2703) of J. C. Fry and Andrew J. Fry, copartners doing business under the name and style of J. C. Fry and A. J. Fry, a code member in District No. 8, on railway fuel orders obtained from the Ann Arbor Railway Company specifying 6" resultant mine run coal, and sale of said coal to said railway company at the price of $1.85 per net ton f. o. b. said mine, the applicable mine price for such egg coal being $2.30 per net ton f. o. b. the mine, and accepting and retaining unauthorized sales agent's commissions in the sum of $22.53 on said sale.

all as set forth in the Notice of and Order for Hearing herein, dated February 13, 1942, resulting in violations of Rule 1 (f) of section XI and Rule 9 of section II of the Marketing Rules and Regulations, and paragraphs (b) and (e) of the Distributor's Agreement.

Now, therefore, based upon the above findings and the admissions of the distributor as set forth in said application:

It is ordered, That the registration of the distributor as a registered distributor be and the same hereby is suspended for a period of ten (10) days from the date of service hereof upon the distributor and that said distributor, its officers, representatives, agents, employees, and all affiliates of said distributor be and they hereby are prohibited from accepting or retaining from code members, their agents and representatives, any discounts, directly or indirectly, on coal purchased by it, them, or any of them, during said period of suspension: *Provided, however,* That if the distributor shall not have complied with the provisions of § 304.15 of the Rules and Regulations for the Registration of Distributors at least five days before the expiration of said period of suspension, said suspension shall continue in full force and effect until five (5) days after the affidavit required by said § 304.15 shall have been filed with the Division: *And provided further,* That the distributor be, and it is hereby required to refund to the Left Fork Fuel Company, Inc., $62.02; to A. J. Fry, $61.94; and to J. C. Fry and Andrew J. Fry, $52.13, the unauthorized sales agency commissions accepted and retained from said code members; and a statement by the distributor that such refunds have been made shall accompany any affidavit which may be filed by said distributor pursuant to said § 304.15.

It is further ordered, That Booth, Inc., during such period of suspension shall in all other respects continue fully to observe, abide by, and remain subject to all pertinent and applicable provisions of the Act, the Bituminous Coal Code, the Marketing Rules and Regulations, the Rules and Regulations for the Registration of Distributors, the Distributor's Agreement, and all applicable orders of the Division and that the effect of such suspension shall not be evaded directly or indirectly by the use of any device.

It is further ordered, That in the event that the distributor shall violate any of its agreements set forth in said application, or fail to comply with this Order, this matter may be reopened and such action taken and orders entered herein as to the Director may seem just and proper under the circumstances and the jurisdiction of this matter is hereby expressly reserved for this purpose.

It is further ordered, That the hearing heretofore set in this matter and subsequently postponed to a place and date to be determined thereafter by an appropriate order herein be, and the same hereby is, cancelled.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43–3211; Filed, March 1, 1943; 10:45 a. m.]

[Docket No. B–356]

W. W. BRIDGES AND BLACK DIAMOND COAL MINING CO.

ORDER ADVANCING DATE OF HEARING

In the matter of W. W. Bridges, Receiver, Black Diamond Coal Mining Company, Code Member.

The above-entitled matter having been heretofore scheduled for hearing at 10 a. m. on March 13, 1943, at a hearing room of the Bituminous Coal Division, at the Circuit Court Room, Madisonville, Kentucky, by Notice of and Order for Hearing entered herein on February 5, 1943; and

The Director deeming it advisable to advance the date of said hearing by one day;

Now, therefore, it is ordered, That the hearing in the above-entitled matter be, and it hereby is, advanced from March 13, 1943 to March 12, 1943, at 10 a. m. at a hearing room of the Bituminous Coal Division at the Circuit Court Room, Madisonville, Kentucky.

It is further ordered, That the said Notice of and Order for Hearing entered

herein shall in all other respects remain in full force and effect.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-3212; Filed, March 1, 1943; 10:45 a. m.]

[Docket No. B-370]

BROWN FUEL COMPANY

NOTICE OF AND ORDER FOR HEARING

A. Under provisions of the Bituminous Coal Act of 1937, as amended (the "Act"), district boards are authorized in appropriate cases to file complaints of violations of the Act, the Bituminous Coal Code (the "Code"), and rules and regulations of the Bituminous Coal Division (the "Division").

B. The Division, on November 4, 1942, referred to District Board No. 3, information in its possession bearing on whether violations of the Act, the Code, orders, and rules and regulations promulgated thereunder; and particularly Rule 13 (A) of section II of the Marketing Rules and Regulations, have been committed by Brown Fuel Company, the code member above mentioned (hereinafter referred to as the "Code Member") a corporation, Uniontown, Pennsylvania, whose code membership became effective as of July 7, 1937, operator of the Henshaw Mine, Mine Index No. 77 located in Barbour County, West Virginia, District No. 3, in connection with sales, for rail shipment, of coal produced at the aforesaid mine contrary to the provisions of Rule 13 (A) of section II of the Marketing Rules and Regulations as follows:

By allowing or paying directly or indirectly sales agency commissions, pursuant to sales agency contracts entered into after August 8, 1940, appointing the sales agents indicated below, on sales of coal produced at its said mine and sold through said sales agents and delivered to various purchasers after January 1, 1941, as follows:

Sales agents	Date of sales agency contracts	Period of sales (1941)	Sales by Tons	Commissions allowed	Allowable commissions
Eastern Coal & Coke Company	Aug. 14, 1940	Jan. 4 to Aug. 29	13,929.8	$1,992.53	$1,592.17
MacQuown Fuels	Oct. 16, 1940	Jan. 22 to Dec. 30	9,040.60	1,393.83	452.04
A. K. Althouse & Company	Jan. 30, 1941	Feb. 3 to May 31	1,215.05	198.13	121.51

which commissions as allowed or paid, directly or indirectly, were in excess of the maximum discounts which said sales agents could have received if they had purchased said coal as distributors under the schedule of due and reasonable maximum discounts for distributors established pursuant to section 4 II (h) of the Act and that such commissions so allowed and paid, directly or indirectly, resulted in a violation of Rule 13 (A) of section II of the Marketing Rules and Regulations by said code member by reason of the fact that no applications, pursuant to said Rule, were approved by the Division permitting said code member to allow and pay said commissions.

C. District Board No. 3 by letter dated January 21, 1943, notified the Division that it does not intend to institute compliance proceedings against the code member in this matter.

D. Section 6 (a) of the Act provides in part that in the event that a district board shall fail for any reason to take action authorized or required by this Act, then the Division may take such action in lieu of the district board.

E. District Board No. 3 having failed to take action as authorized or required by the Act on the matters hereinabove described, the Division finds it necessary in the proper administration of the Act to take action thereon in lieu of the Board, as in this Notice of and Order for Hearing provided pursuant to section 6 (a) and other pertinent provisions of the Act for the purpose of determining:

(1) whether the code member has wilfully violated Rule 13 (A) of section II of the Marketing Rules and Regulations; and

(2) whether in the event that the code member is found to have violated the Act, the Code, and orders, rules and regulations promulgated thereunder, an order should be entered revoking the code membership of said Brown Fuel Company, or directing said code member to cease and desist from violating the Act, the Code and orders, rules and regulations promulgated thereunder.

It is hereby ordered, That a hearing pursuant to sections 4 II (j), 5 (b), and 6 (a), and other pertinent provisions of the Act be held on March 31, 1943, at 10 a. m., at a hearing room of the Division at the Court Room No. 4, New Federal Bldg., Pittsburgh, Pennsylvania, to determine whether the aforementioned code member has committed the violations in the respects heretofore described and whether the code membership of said code member and the code member's right to an exemption from the taxes imposed by section 3520 (b) (1) of the Internal Revenue Code, should be revoked or an order should be entered directing the code member to cease and desist from violating the Act, the Code, and orders, rules and regulations of the Division promulgated thereunder.

It is further ordered, That Joseph A. Huston, or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, to continue said hearing from time to time and to such places as he may direct by announcement at said hearing or any adjourned hearing, or by subsequent notice, and to prepare and submit proposed findings of fact and conclusions, and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to said code member and to all other parties herein and to all persons or entities having an interest in such proceeding. Any person or entity eligible under § 301.123 of the Rules and Regulations Governing Practice and Procedure Before the Division in Proceedings Instituted Pursuant to sections 4 II (j) and 5 (b) of the Act may file a petition for intervention not later than five (5) days before the date set for hearing herein.

Notice is also hereby given that any application, pursuant to § 301.132 of the Rules of Practice and Procedure before the Division for the disposition of this proceeding without formal hearing, must be filed not later than fifteen (15) days after receipt by the code member of this Notice of and Order for Hearing.

Notice is hereby given that answer setting forth the position of the code member with reference to the matters hereinbefore described must be filed with the Division at its Washington Office or with one of the Statistical Bureaus of the Division within twenty (20) days after the date of service of a copy hereof on the code member; and that any failure to file an answer within such period, unless otherwise ordered, shall be deemed to be an admission by the code member of the commission of the violations hereinbefore described and a consent to the entry of an appropriate order thereon.

All persons are hereby notified that the hearing in the above-entitled matter and orders entered therein may concern in addition to the charges specifically alleged herein, other matters incidental and related thereto, whether raised by amendment, petition for intervention, or otherwise, and all persons are cautioned to be guided accordingly.

Dated: February 26, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-3213; Filed, March 1, 1943; 10:45 a. m.]

General Land Office.

[Public Land Order 91]

CALIFORNIA

REVOCATION OF EXECUTIVE ORDER WITHDRAWING PUBLIC LANDS

By virtue of the authority contained in the act of June 25, 1910, c. 421, 36 Stat. 847 (U. S. C., title 43, sec. 141), and pursuant to Executive Order No. 9146 of April 24, 1942, *It is ordered,* As follows:

Executive Order No. 5218 of November 4, 1929, withdrawing public lands in California, pending a resurvey, is hereby revoked.

This order shall become effective upon the date of the official filing of the plat of resurvey of the lands involved.

ABE FORTAS,
Acting Secretary of the Interior.

FEBRUARY 18, 1943.

[F. R. Doc. 43-3204; Filed, March 1, 1943; 10:13 a. m.]

[Public Land Order 92]

ALASKA

WITHDRAWING PUBIC LAND FOR THE USE OF THE ALASKA ROAD COMMISSION AS AN ADMINISTRATIVE SITE

By virtue of the authority vested in the President and pursuant to Executive Order No. 9146 of April 24, 1942, *It is ordered,* As follows:

Subject to valid existing rights, the following-described public land in Alaska is hereby withdrawn from all forms of appropriation under the public-land laws, including the mining laws and the mineral-leasing laws, and reserved for the use of the Alaska Road Commission as an administrative site:

FAIRBANKS MERIDIAN

T. 1 S., R. 2 W.
Sec. 24, NE¼.
The area described contains 160 acres.

ABE FORTAS,
Acting Secretary of the Interior.

FEBRUARY 19, 1943.

[F. R. Doc. 43-3205; Filed, March 1, 1943; 10:13 a. m.]

NEW MEXICO

REVOCATION OF DEPARTMENTAL ORDER AFFECTING CERTAIN PUBLIC LANDS

The order of the Secretary of the Interior of October 11, 1934, which temporarily withdrew from settlement, entry or disposition of any kind other than by exchanges as specified in the act of March 3, 1921 (41 Stat. 1225, 1239), certain public domain lands in Valencia County, New Mexico, and which was modified by departmental order of December 23, 1938, so as to exclude certain lands therefrom, is hereby revoked as to the lands not so excluded, effective at 9:00 o'clock a. m., on the 60th day from the date hereof.

Nothing in this order shall extinguish or diminish any right of any Indian or Indian tribe in or to any of the lands hereby affected.

ABE FORTAS,
Acting Secretary of the Interior.

FEBRUARY 23, 1943.

[F. R. Doc. 43-3206; Filed, March 1, 1943; 10:13 a. m.]

DEPARTMENT OF AGRICULTURE.

Food Distribution Administration (Livestock and Meats Branch).

[P. & S. Docket No. 1532]

LEO HARDY LIVE STOCK COMMISSION CO., ET AL.

ORDER EXTENDING PERIOD OF SUSPENSION

In the matter of Leo Hardy, doing business as Leo Hardy Live Stock Commission Company, et al., respondents.

On January 29, 1943, the Assistant to the Secretary of Agriculture made an order in this proceeding, which, among other things suspended and deferred the operation and use of a schedule of rates and charges designated as Tariff No. 4 of Leo Hardy, doing business as Leo Hardy Live Stock Commission Company, respondent, for a period of thirty days beyond its effective date. Since the hearing in this proceeding can not be concluded within the period of suspension, the time of suspension should be extended for another period of thirty days.

It is ordered, That the operation and use of Tariff No. 4 of Leo Hardy, doing business as Leo Hardy Live Stock Commission Company, be, and it hereby is, suspended and deferred for a further period of thirty days beyond the date when the tariff would otherwise become effective.

It is further ordered, That a copy of this order be served upon the respondent by registered mail.

Done at Washington, D. C., this 26th day of February 1943. Witness my hand and the seal of the Department of Agriculture.

[SEAL] THOMAS J. FLAVIN,
Assistant to the Secretary of Agriculture.[1]

[F. R. Doc. 43-3131; Filed, February 26, 1943; 3:06 p. m.]

Food Production Administration.

INVENTORY LIMITATION OF OILSEED MEAL

DELEGATION OF AUTHORITY

Pursuant to the authority vested in me by Food Production Order 9 (*supra*), dated February 27, 1943, and in order to enable the Commodity Credit Corporation to administer and enforce said Food Production Order 9 which supersedes Oilseed Order No. 6 issued by the Commodity Credit Corporation on December 24, 1942, as amended on January 2 and January 14, 1943, *It is hereby ordered,* As follows:

The President or Acting President of the Commodity Credit Corporation is authorized to exercise the authority conferred upon me by Food Production Order No. 9 issued by the Secretary of Agriculture on February 27, 1943. The President or Acting President of Commodity Credit Corporation shall be assisted in the administration of said order by such employees of the Department of Agriculture as he may designate.

Issued this 27th day of February 1943.

[SEAL] M. CLIFFORD TOWNSEND,
Director of Food Production, United States Department of Agriculture.

[F. R. Doc. 43-3167; Filed, February 27, 1943; 11:41 a. m.]

DEPARTMENT OF LABOR.

Wage and Hour Division.

[Administrative Order 179]

MISCELLANEOUS TEXTILE, LEATHER, FUR, STRAW, AND RELATED PRODUCTS INDUSTRIES

ACCEPTANCE OF RESIGNATION FROM AND APPOINTMENT TO INDUSTRY COMMITTEE NO. 55

By virtue of and pursuant to the authority vested in me by the Fair Labor Standards Act of 1938, I, L. Metcalfe Walling, Administrator of the Wage and Hour Division, United States Department of Labor,

Do hereby accept the resignation of Mr. Charles S. Johnson from Industry Committee No. 55 for the Miscellaneous Textile, Leather, Fur, Straw, and Related Products Industries, and do appoint in his stead Mr. Albert E. Barnett of Nashville, Tennessee, as representative for the public on such committee.

Signed at New York, New York this 26th day of February 1943.

L. METCALFE WALLING,
Administrator.

[F. R. Doc. 43-3156; Filed, February 27, 1943; 11:24 a. m.]

[Administrative Order 180]

MISCELLANEOUS TEXTILE, LEATHER, FUR, STRAW, AND RELATED PRODUCTS INDUSTRIES

ACCEPTANCE OF RESIGNATION FROM AND APPOINTMENT TO INDUSTRY COMMITTEE NO. 55

By virtue of and pursuant to the authority vested in me by the Fair Labor Standards Act of 1938, I, L. Metcalfe Walling, Administrator of the Wage and Hour Division, United States Department of Labor,

Do hereby accept the resignations of Mr. William Regnery and Mr. W. W. Rushton from Industry Committee No. 55 for the Miscellaneous Textile, Leather, Fur, Straw, and Related Products Industries, and do appoint in their stead Mr. F. B. Reynolds of New York, New York, and Mr. Robert P. McLarty of Atlanta, Georgia, respectively, as representatives for the employers on such committee.

Signed at New York, New York this 26th day of February 1943.

L. METCALF WALLING,
Administrator.

[F. R. Doc. 43-3157; Filed, February 27, 1943; 11:24 a. m.]

[Administrative Order 183]

TEXTILE, LEATHER, FUR, STRAW AND RELATED PRODUCTS INDUSTRIES

ACCEPTANCE OF RESIGNATION FROM AND APPOINTMENT TO INDUSTRY COMMITTEE 55

By virtue of and pursuant to the authority vested in me by the Fair Labor Standards Act of 1938, I, L. Metcalfe Walling, Administrator of the Wage and Hour Division, United States Department of Labor,

Do hereby accept the resignation of Mr. Ernst Correll from Industry Committee No. 55 for the Miscellaneous Textile, Leather, Fur, Straw, and Related Products Industries, and do appoint in his stead Mr. Frederick W. Carr of Boston, Massachusetts as representative for the public on such committee.

Signed at New York, New York this 27th day of February 1943.

L. METCALFE WALLING,
Administrator.

[F. R. Doc. 43-3195; Filed, March 1, 1943; 9:32 a. m.]

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[1] Acting pursuant to authority delegated by the Secretary of Agriculture under the Act of April 4, 1940 (54 Stat. 81; 7 F.R. 2656).

[Administrative Order 184]

TEXTILE, LEATHER, FUR, STRAW, AND RELATED PRODUCTS INDUSTRIES

ACCEPTANCE OF RESIGNATION FROM AND APPOINTMENT TO INDUSTRY COMMITTEE 55

By virtue of and pursuant to the authority vested in me by the Fair Labor Standards Act of 1938, I, L. Metcalfe Walling, Administrator of the Wage and Hour Division, United States Department of Labor,

Do hereby accept the resignation of Mr. Boris Shishkin from Industry Committee No. 55 for the Miscellaneous Textile, Leather, Fur, Straw, and Related Products Industries, and do appoint in his stead Mr. Marten E. Estey of Washington, D. C. as representative for the employees on such committee.

Signed at New York, New York this 27th day of February 1943.

L. METCALFE WALLING,
Administrator.

[F. R. Doc. 43-3196; Filed, March 1, 1943; 9:32 a. m.]

[Administrative Order 185]

TEXTILE, LEATHER, FUR, STRAW, AND RELATED PRODUCTS INDUSTRIES

ACCEPTANCE OF RESIGNATION FROM AND APPOINTMENT TO INDUSTRY COMMITTEE 55

By virtue of and pursuant to the authority vested in me by the Fair Labor Standards Act of 1938, I, L. Metcalfe Walling, Administrator of the Wage and Hour Division, United States Department of Labor,

Do hereby accept the resignation of Mr. Albert E. Barnett from Industry Committee No. 55 for the Miscellaneous Textile, Leather, Fur, Straw, and Related Products Industries, and do appoint in his stead Mr. Nathan L. Silverstein of Bloomington, Indiana, as representative for the public on such committee.

Signed at New York, New York this 27th day of February 1943.

L. METCALFE WALLING,
Administrator.

[F. R. Doc. 43-3197; Filed, March 1, 1943; 9:32 a. m.]

LEARNER EMPLOYMENT CERTIFICATES

ISSUANCE TO VARIOUS INDUSTRIES

Notice of issuance of special certificates for the employment of learners under the Fair Labor Standards Act of 1938.

Notice is hereby given that special certificates authorizing the employment of learners at hourly wages lower than the minimum wage rate applicable under section 6 of the Act are issued under section 14 thereof, Part 522 of the regulations issued thereunder (August 16, 1940, 5 F.R. 2862, and as amended June 25, 1942, 7 F.R. 4723), and the determination and order or regulation listed below and published in the FEDERAL REGISTER as here stated.

Apparel Learner Regulations, September 7, 1940 (5 F.R. 3591)

Single Pants, Shirts and Allied Garments, Women's Apparel, Sportswear, Rainwear, Robes, and Leather and Sheep-Lined Garments Divisions of the Apparel Industry, Learner Regulations, July 20, 1942 (7 F.R. 4724)

Artificial Flowers and Feathers Learner Regulations, October 24, 1940 (5 F.R. 4203)

Glove Findings and Determination of February 20, 1940, as amended by Administrative Order of September 20, 1940 (5 F.R. 3748)

Hosiery Learner Regulations, September 4, 1940 (5 F.R. 3530)

Independent Telephone Learner Regulations, September 27, 1940 (5 F.R. 3829)

Knitted Wear Learner Regulations, October 10, 1940 (5 F.R. 3982)

Millinery Learner Regulations, Custom Made and Popular Priced, August 29, 1940 (5 F.R. 3392, 3393).

Textile Learner Regulations, May 16, 1941 (6 F.R. 2446).

Woolen Learner Regulations, October 30, 1940 (5 F.R. 4302).

Notice of Amended Order for the Employment of Learners in the Cigar Manufacturing Industry, July 20, 1941 (6 F.R. 3753).

The employment of learners under these certificates is limited to the terms and conditions as to the occupations, learning periods, minimum wage rates, et cetera, specified in the determination and order or regulation for the industry designated above and indicated opposite the employer's name. These certificates become effective March 1, 1943. The certificates may be cancelled in the manner provided in the regulations and as indicated in the certificates. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof.

NAME AND ADDRESS OF FIRM, INDUSTRY, PRODUCT, NUMBER OF LEARNERS AND EXPIRATION DATE

Apparel Industry

Allen Manufacturing Company, 317 W. Adams Street, Chicago, Illinois; Skirts; 5 learners (T); March 1, 1944.

Forel Clothes, 1010 Race Street, Philadelphia, Pennsylvania; Men's clothing; 5 learners (T); March 1, 1944.

Single Pants, Shirts and Allied Garments, Women's Apparel, Sportswear, Rainwear, Robes, and Leather and Sheep-lined Garments Divisions of the Apparel Industry

M. M. Bernstein & Sons, 312 Penn Avenue, Scranton, Pennsylvania; Ladies' undergarments; 50 learners (E); September 1, 1943.

Flyer Garment Company, 101–103 N. 4th Street, Ft. Smith, Arkansas; Reversible collar or sport shirts, funeral clothing; 10 learners (T); March 1, 1944.

Johnson & Company, 100 S. Minnesota Avenue, St. Peter, Minnesota; Work garments; 10 learners (T); March 1, 1944. (This certificate replaces the one issued to you bearing the expiration date of November 23, 1943.)

Little Tots Dress Company, Incorporated, 123 Pike Street, Port Jervis, New York; Infants' dresses and creepers; 8 learners (T); March 1, 1944.

Quakertown Clothing Manufacturing Company, 10th & Juniper Streets, Quakertown, Pennsylvania; Pants; 10 percent (T); March 1, 1944.

Rebecca Schwartz Dress Company, 263 Chapel Street, New Haven, Connecticut; Cotton pajamas and house dresses; 10 learners (T); March 1, 1944.

Seaford Garment Company, Phillips Street, Seaford, Delaware; Sport shirts; 10 percent (T); March 1, 1944.

Edward Shuwall & Company, Incorporated, Bowman & Dewey Streets, Dickson City, Pennsylvania; Children's dresses; 50 learners (E); September 1, 1943.

H. B. Spoont, 12–18 E. Coal Street, Shenandoah, Pennsylvania; Slacks, coveralls, shirts and bathrobes; 20 learners (E); September 1, 1943.

Sunbury Manufacturing Company, Incorporated, (2nd & Spruce Streets, Sunbury, Pennsylvania; Dresses, blouses, slacks and pajamas; 10 percent (T); March 1, 1944.

Tamaqua Garment Company, 135 W. Broad Street, Tamaqua, Pennsylvania; Ladies' sportswear; 41 learners (E); July 1, 1943.

Topkis Brothers Company, 217 French Street, Wilmington, Delaware; Government shorts, sport shirts and jackets; 10 percent (T); March 1, 1944.

United Mills, Incorporated, Mt. Gilead, North Carolina; Ladies' slips; 10 learners (T); March 1, 1944.

Hosiery Industry

H. W. Anthony Company, Walnut Street, Strausstown, Pennsylvania; Full-fashioned hosiery; 5 learners (T); March 1, 1944.

Gold Seal Hosiery Company, Incorporated, 1003 Spain Street, New Orleans, Louisiana; Seamless hosiery; 3 learners (T); March 1, 1944.

Reamstown Hosiery Mills, Reamstown, Pennsylvania; Full fashioned hosiery; 2 learners (T); March 1, 1944.

Salem Full Fashioned Hosiery Mills, Incorporated, Maple Street, Salem, Virginia; Full fashioned hosiery; 42 learners (E); September 1, 1943.

Textile Industry

Liberty Lace and Netting Works, 900 East 229th Street, New York, New York; Mosquito bars, camouflage veilings and dress goods; 3 percent (T); March 1, 1944.

Plaza Mill, Main Street, Beavertown, Pennsylvania; Rayon cloth; 3 percent (T); March 1, 1944.

Cigar Industry

General Cigar Company, Incorporated, Fifth & Hickory Streets, Mt. Carmel, Pennsylvania; Cigars, 51 learners (E); Hand cigar makers for a learning period of 960 hours at 75% of the applicable minimum wage until August 21, 1943. (Corrected certificate)

Signed at New York, N. Y., this 27th day of February, 1943.

MERLE D. VINCENT,
Authorized Representative of the Administrator.

[F. R. Doc. 43-3198; Filed, March 1, 1943; 9:32 a. m.]

LEARNER EMPLOYMENT CERTIFICATES

NOTICE OF ISSUANCE

Notice of issuance of special certificates for the employment of learners under the Fair Labor Standards Act of 1938.

Notice is hereby given that special certificates authorizing the employment of learners at hourly wages lower than the minimum rate applicable under section 6 of the Act are issued under section 14 thereof and § 522.5 (b) of the regulations issued thereunder (August 16, 1940, 5 F.R. 2862) to the employers listed below effective March 1, 1943.

The employment of learners under these certificates is limited to the terms and conditions as designated opposite the employer's name. These certificates are issued upon the employers' representations that experienced workers for the learner occupations are not available for employment and that they are actually in need of learners at subminimum rates in order to prevent curtailment of opportunities for employment. The certificates may be cancelled in the manner provided for in the regulations and as indicated on the certificate. Any person aggrieved by the issuance of these certificates may seek a review or reconsideration thereof.

NAME AND ADDRESS OF FIRM, PRODUCT, NUMBER OF LEARNERS, LEARNING PERIOD, LEARNER WAGE, LEARNER OCCUPATIONS, EXPIRATION DATE

Nord-Buffum Pearl Button Company, 101 South Carolina Street, Louisiana, Missouri; Pearl Buttons; 3 learners (T); Cutter and finished button sorter for a learning period of 480 hours, at the rate of 30¢ per hour for the first 320 hours and 35¢ per hour for the last 160 hours, Automatic machine operator and blank button sorter for a learning period of 160 hours at the rate of 30¢ per hour until September 1, 1943.

Polly Prentiss, Incorporated, N. Main Street, Sumter, South Carolina; Chenille robes and bedspreads; 70 learners (E); Chenille Machine Operators for a learning period of 320 hours at 30¢ per hour until September 1, 1943.

Signed at New York, N. Y., this 27th day of February 1943.

MERLE D. VINCENT,
Authorized Representative of the Administrator.

[F. R. Doc. 43-3199; Filed, March 1, 1943; 9:32 a. m.]

FEDERAL TRADE COMMISSION.

[Docket No. 4517]

GRAPHIC ARTS CLUB OF CHARLOTTE, INC., ET AL.

ORDER APPOINTING TRIAL EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 26th day of February, A. D. 1943.

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U.S.C.A., section 41),

It is ordered, That John L. Hornor, a trial examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Tuesday, March 9, 1943, at two o'clock in the afternoon of that day (Eastern Standard Time), in Federal Court Room, Federal Building, Charlotte, North Carolina.

Upon completion of testimony for the Federal Trade Commission, the trial examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The trial examiner will then close the case and make his report upon the evidence.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 43-3163; Filed, February 27, 1943; 11:43 a. m.]

OFFICE OF PRICE ADMINISTRATION.

[Order 11 Under MPR 163]

HOWARD MANUFACTURING CORPORATION

AUTHORIZATION OF MAXIMUM PRICES

Order No. 11 under § 1410.119 of Maximum Price Regulation No. 163—Woolen or Worsted Civilian Apparel Fabrics.

The Howard Manufacturing Corporation of Brooklyn, New York, made application under § 1410.119 of Maximum Price Regulation No. 163 for authorization to determine maximum prices for its base and decorated fabric, range 1100. Due consideration has been given to the application and an opinion in support of this order has been issued simultaneously herewith and has been filed with the Division of the Federal Register. For the reasons set forth in the opinion, under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and in accordance with Revised Procedural Regulation No. 1 issued by the Office of Price Administration, *It is ordered:*

(a) On and after March 1, 1943, Howard Manufacturing Corporation may sell and any person may buy from the Howard Manufacturing Corporation the fabric specified hereinbelow at prices not in excess of the following applicable maximum prices:

Style and Specification	*Maximum price (per yard)*
Range No. 1100, Men's wear stock dyed worsted; 100% wool; "64's" in quality; 13/13½ in weight; 60 inches in finished width; 58 picks and 66 ends per finished yards; 2/32 warp and filling yarn size	$3.00

(b) If decorations are added to such fabric, the maximum price therefor established in paragraph (a) of this order shall be increased or decreased in accordance with the provisions in paragraph (h) of § 1410.102 of Maximum Price Regulation No. 163.

(c) The maximum price established in paragraph (a) of this order shall be subject to adjustment at any time by the Office of Price Administration.

(d) This Order No. 11 may be amended or revoked at any time by the Office of Price Administration.

This order shall become effective March 1, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3171; Filed, February 27, 1943; 11:53 a. m.]

[Amendment 1 to Order 20 Under MPR 188]

NATIONAL CARBON COMPANY, INC.

AUTHORIZATION OF MAXIMUM PRICES

Amendment No. 1 to Order No. 20 under § 1499.158 of Maximum Price Regulation No. 188 — Manufacturers' Maximum Prices for Specified Building Materials and Consumers' Goods Other Than Apparel.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register and pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, paragraphs (a) and (b) are amended to read as follows:

(a) National Carbon Company, Inc., Carbide and Carbon Building, New York City, is authorized to sell and deliver to the Signal Corps, Army of the United States, and to any person who holds a contract or subcontract under which the batteries are to be supplied for the ultimate use of the Signal Corps, Army of the United States, the following new dry cell radio batteries at prices per unit, f. o. b. factory, no higher than those set forth below:

BA-39	$3.41
BA-40	2.49

(b) The authorization granted by this Order No. 20 is confined to deliveries prior to July 1, 1943.

This Amendment No. 1 shall become effective March 1, 1943.

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3168; Filed, February 27, 1943; 11:54 a. m.]

[Order 177 Under MPR 188]

MORTON MANUFACTURING COMPANY

AUTHORIZATION OF MAXIMUM PRICE

Order No. 177 under § 1499.158 of Maximum Price Regulation No. 188—Manufacturers' Maximum Prices for

Specified Building Materials and Consumers' Goods Other Than Apparel.

Authorization of a maximum price for a certain shower stall for the Morton Manufacturing Company.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, and § 1499.158 of Maximum Price Regulation No. 188: *It is hereby ordered that:*

(a) The Morton Manufacturing Company of 5105–43 West Lake Street, Chicago, Illinois, may sell and deliver, and any person may buy and receive, from the Morton Manufacturing Company, the article described in paragraph (b) below at a price not more than $23.66 each, f. o. b. Chicago, Illinois.

(b) The article covered by this Order No. 177 is a shower stall with an overall dimension of 34" x 34" x 75" of which the back and side walls are made of masonite and finished inside and outside with baked enamel, with a top frame and a curtain rod of sheet steel with baked enamel finish, complete with plumbing fixtures and shower curtain but not including a precast cement receptor base.

(c) This Order No. 177 is subject to the condition that the Morton Manufacturing Company submit to the Office of Price Administration within a period of ninety days following the effective date an analysis of the actual cost of manufacturing during that period, of the shower stall involved.

(d) This Order No. 177 may be revoked or amended by the Price Administrator at any time.

(e) This Order No. 177 shall become effective March 1, 1943.

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3169; Filed, February 27, 1943; 11:53 a. m.]

[Order 178 Under MPR 188]

WARWICK FURNITURE MANUFACTURING CORP.

APPROVAL OF MAXIMUM PRICE

Order No. 178 under § 1499.158 of Maximum Price Regulation No. 188—Manufacturers' Maximum Prices for Specified Building Materials and Consumers' Goods Other Than Apparel.

Approval of maximum price for sale by the Warwick Furniture Manufacturing Corporation of certain upholstered furniture.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, *It is ordered:*

(a) The Warwick Furniture Manufacturing Corporation of 1013–1021 Broadway, New York, New York, is authorized to sell and deliver the following articles at prices no higher than those set forth below:

No.	Item	Maximum prices base cover grade	Maximum prices most expensive cover grade
500	Sofa	$57.25	$74.75
500	Low chair	33.00	43.50
500	Barrel chair	35.00	45.50
501	Sofa	52.50	70.00
501	Arm chair	32.00	42.50
501	High chair	33.50	44.00
502	Sofa	55.00	73.50
502	Arm chair	32.50	43.00
502	High chair	35.00	45.50
503	Sofa	54.50	71.90
503	Arm chair	31.25	41.75
503	High chair	32.50	43.00
504	Sofa	55.50	73.50
604	Arm chair	32.50	43.00
504	High chair	33.50	44.00
505	Sofa	50.30	68.00
505	Arm chair	29.00	39.50
505	High chair	32.50	43.00
506	Sofa	66.50	84.00
506	Arm chair	40.00	50.50
506	High chair	40.00	50.50

The maximum prices for an article in cover grades other than those set forth above shall be determined in accordance with the Warwick Furniture Manufacturing Corporation's grading system, filed with the Office of Price Administration, Washington, D. C., February 3, 1943.

(b) Within 120 days after the effective date of this Order No. 178, the Warwick Furniture Manufacturing Corporation shall file with the Secretary of the Office of Price Administration, a detailed profit and loss statement, and a breakdown of actual unit costs of manufacture for the 90 days immediately following the effective date of this Order No. 178.

(c) This Order No. 178 shall be subject to adjustment if the Warwick Furniture Manufacturing Corporation's actual operating figures for the 90-day period mentioned in paragraph (b) hereof, show that the costs are substantially different from the projected costs upon which the maximum prices established in this Order No. 178 have been based, and this Order No. 178 may be revoked or amended by the Price Administrator at any time.

(d) This Order No. 178 shall become effective on the 1st day of March 1943.

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3170; Filed, February 27, 1943; 11:53 a. m.]

[Order 20 Under MPR 152]

C. S. KALE CANNING CO.

DENIAL OF PETITION FOR ADJUSTMENT OF MAXIMUM PRICES

Order No. 20 under Maximum Price Regulation No. 152—Canned Vegetables. Denial of petition for adjustment of maximum prices filed by C. S. Kale Canning Company, Everson, Washington.

On October 20, 1942, the C. S. Kale Canning Company filed a petition pursuant to Procedural Regulation No. 1 and Procedural Regulation No. 6 issued by the Office of Price Administration for specific authorization to adjust maximum prices established under Maximum Price Regulation No. 152.

Due consideration has been given to the information submitted by Applicant with respect to the packing for its general commercial trade of snap beans in No. 2 and No. 10 cans and the packing of No. 10 cans of snap beans which Applicant proposes to sell to the Quartermaster Depots of the United States Army.

For the reasons set forth in the opinion which accompanies this order and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942 and Executive Order No. 9250 and pursuant to Revised Procedural Regulation No. 1 and Procedural Regulation No. 6, *It is hereby ordered*, That:

(a) The petition of C. S. Kale Canning Company for adjustment of its maximum prices for sales to its general commercial trade of snap beans packed in No. 2 and No. 10 size cans and for sales to the Quartermaster Depots of the United States Army of snap beans packed in No. 10 size cans as established under Maximum Price Regulation No. 152 be and is hereby denied.

(b) Any contract entered into by C. S. Kale Canning Company at the price requested in its petition under Procedural Regulation No. 6 shall be revised in accordance with the terms of this order, and any payment made to the C. S. Kale Canning Company in excess of the maximum prices established shall be refunded to the purchaser and within 30 days after the date on which this order was mailed to him, the applicant shall file a statement with the Office of Price Administration to the effect that such contracts were revised in accordance with the terms of this order, and wherever required refunds were made.

(c) This Order No. 20 may be revoked or amended by the Price Administrator at any time.

(d) Unless the context otherwise requires the definitions set forth in § 1341.30 of Maximum Price Regulation No. 152 and section 302 of the Emergency Price Control Act of 1942, as amended, shall apply to terms used herein.

(e) This order shall become effective on February 27, 1943.

Issued this 27th day of February 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-3187; Filed, February 27, 1943; 3:54 p. m.]

[Order 165 Under MPR 120]

LEWIS MATHIE

ORDER GRANTING ADJUSTMENT

Correction

The effective date in paragraph (e) of the document appearing on page 2408 of the issue for Thursday, February 25, 1943, should read "February 25, 1943."

[Amendment 1 to Order 6 Under MPR 136 as Amended]

THE CENTRAL TOOL COMPANY

APPROVAL OF MAXIMUM PRICES

Correction

The second heading in the first column of the table of the document appearing in the issue for Thursday, February 25, 1943, should read "Vernier 1/10,000:".

SECURITIES AND EXCHANGE COMMISSION.

[File No. 1-799]

EMPIRE GAS AND FUEL CO.

ORDER SETTING HEARING ON APPLICATION TO STRIKE FROM LISTING AND REGISTRATION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 25th day of February, A. D., 1943.

In the matter of Empire Gas and Fuel Company, $100 par 6% cumulative preferred stock; $100 par 6½% cumulative preferred stock; $100 par 7% cumulative preferred stock; $100 par 8% cumulative preferred stock.

The Chicago Stock Exchange, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 (b) promulgated thereunder, having made application to strike from listing and registration the above-mentioned securities of Empire Gas and Fuel Company; and

The Commission deeming it necessary for the protection of investors that a hearing be held in this matter at which all interested persons be given an opportunity to be heard;

It is ordered, That the matter be set down for hearing at 10 a. m. on Monday, April 5, 1943 at the office of the Securities and Exchange Commission, 105 West Adams Street, Chicago, Illinois, and continue thereafter at such times and places as the Commission or its officers herein designated shall determine, and that general notice thereof be given; and

It is further ordered, That Henry Fitts, or any other officer or officers of the Commission named by it for that purpose, shall preside at the hearing on such matter. The officer so designated to preside at such hearing is hereby empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3129; Filed, February 26, 1943; 2:12 p. m.]

[File Nos. 70-663, 70-677]

AMERICAN UTILITIES SERVICE CORP., ET AL.

NOTICE OF FILING AND ORDER CONSOLIDATING AND RECONVENING HEARING AND DESIGNATING NEW TRIAL EXAMINER

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 24th day of February 1943.

In the matter of American Utilities Service Corporation, File No. 70-663.

In the matter of Walter M. Jensen, John A. Larson, Frank N. Dahlberg, Oscar G. Dahlberg, Fred E. Dahlberg and Carl Dahlberg, File No. 70-677.

Notice is hereby given that on February 18, 1943, Walter M. Jensen, John A. Larson, Frank N. Dahlberg, Oscar G. Dahlberg, Fred E. Dahlberg and Carl Dahlberg ("The purchasers") filed an application with this Commission pursuant to the Public Utility Holding Company Act of 1935 and particularly sections 9 (a) (2) and 10 thereof. All interested persons are referred to said document which is on file in the office of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

The purchasers propose to purchase from American Utilities Service Corporation ("American"), a registered holding company, all (2,000 shares, par value $100 per share) of the issued and outstanding common stock of Northwestern Wisconsin Electric Company ("Northwestern"), an electric utility company, for the aggregate purchase price of approximately $265,000 in cash. Northwestern is a Wisconsin corporation operating in the States of Wisconsin and Minnesota.

Applicants state that they own the following percentages of the outstanding stock of certain other public utilities located in the State of Wisconsin:

	Clam River Dam Co.	Polk Burnett Light and Power Co.	Dahlberg Light and Power Co.	Winter Electric Light and Power Co.
	Percent	*Percent*	*Percent*	*Percent*
Walter M. Jensen	13	5	1	1
John A. Larson	13	-------	3	-------
Frank N. Dahlberg	13	4	10	25
Oscar G. Dahlberg	2	-------	4	2
Fred E. Dahlberg	2	-------	15	15
Carl Dahlberg	-------	-------	9	15
Total	43	9	42	58

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that a hearing be held with respect to said application and that said application shall not be granted except pursuant to further order of the Commission; and

It appearing to the Commission that on January 11, 1943, American filed a declaration with this Commission under sections 12 (c) and 12 (d) of the Act and Rule U-42 and Rule U-44 promulgated thereunder, proposing to sell to the said purchasers all of the issued and outstanding common stock of Northwestern for the aggregate purchase price of approximately $265,000 in cash; and

It further appearing that under date of January 18, 1943, the Commission issued its Notice of Filing and Order for Hearing of said declaration of said American; and a public hearing having been held on February 5, 1943, for the purpose of taking evidence on the issues involved under sections 12 (c) and 12 (d) of the Act; and the hearing having been adjourned subject to the call of the trial examiner; and

It further appearing to the Commission that the foregoing matters under File Nos. 70-663 and 70-677 are related to and involve common questions of law and fact; that evidence offered in respect to each of said matters will have a bearing on the other matter; and that substantial savings in time, effort and expense will result if the hearings on these matters are consolidated so that they may be heard as one matter, and so that the evidence adduced in each matter may stand as evidence in the other for all purposes; and

It further appearing to the Commission that it is presently appropriate and conducive to an orderly disposition of these proceedings that the hearing under File No. 70-663 be reconvened and that certain matters relating to File No. 70-677 as more particularly specified hereinafter be now taken up and considered; and

It appearing that the Trial Examiner heretofore designated to preside at the hearing in this proceeding will be unable to do so;

It is hereby ordered, That the proceedings herein involved be consolidated for hearing and that the hearing in the above entitled matter be reconvened on March 10, 1943, at 10:00 o'clock in the forenoon of that day, at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania. On that day, the hearing room clerk in Room 318 will inform the parties as to the exact room in which said hearing will be held.

Notice is hereby given of said reconvened and consolidated hearing to the above named declarants and applicants by registered mail and to all other interested persons by publication in the FEDERAL REGISTER.

It is further ordered, That Charles S. Lobinger, an officer of the Commission, be, and he hereby is, designated to preside at such hearing in the place and stead of, and with the same powers and duties as the Trial Examiner heretofore designated to preside at such hearing.

It is further ordered, That without limiting the scope of the issues presented by these proceedings, some of which have heretofore been raised in the previous hearing, attention will be directed at the reconvened and consoli-

dated hearing to a consideration of the following matters and questions:

1. Whether the consideration to be paid by the proposed purchasers for the outstanding common stock of Northwestern is fair and reasonable.

2. The amount of interest to be acquired by each of the purchasers in the securities of Northwestern and whether the interests to be acquired are to be held by the purchasers as individuals, or whether any partnership, syndicate or similar agreement exists or is contemplated.

3. Whether or not the acquisition of the proposed securities by these purchasers will serve the public interest by tending toward the economical and efficient development of an integrated public utility system, and whether such acquisition will tend towards interlocking relation or concentration of control of public utility companies of a kind or to an extent detrimental to the public interest or the interest of investors or consumers.

4. Whether it is necessary or appropriate to impose terms or conditions in the public interest or for the protection of investors and consumers.

5. Generally, whether all actions proposed to be taken comply with the requirements of the Public Utility Holding Company Act of 1935 and Rules, Regulations promulgated thereunder.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3128; Filed, February 26, 1943; 2:12 p. m.]

[File No. 70-679]

GENERAL GAS & ELECTRIC CORPORATION

NOTICE OF FILING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 25th day of February 1943.

Notice is hereby given that a declaration has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by the above named party; and

Notice is further given that any interested person may, not later than March 10, 1943, at 5:30 p. m., e. w. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such declaration, as amended, may become effective as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act, or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania.

All interested persons are referred to said declaration which is on file in the office of said commission for a statement of the transactions therein proposed which are summarized below:

The declarant, General Gas & Electric Corporation, a registered holding company, proposes to pay out of capital or unearned surplus a quarterly dividend on its $5 Prior Preferred stock for the quarter ending March 15, 1942. The declaration indicates that the amount of such regular dividend applicable to the total outstanding shares of such stock is $75,000. Of this amount approximately $40,125 is applicable to the 32,110.9 shares held by the public, the balance of the shares being held by Denis J. Driscoll and Willard L. Thorp, Trustees of Associated Gas and Electric Corporation, a registered holding company and parent of General Gas & Electric Corporation. It is indicated in the declaration that these Trustees intend to deliver to General Gas & Electric Corporation a waiver of payment at this time of any dividend on their holdings of this stock and that a copy of such waiver is to be subsequently filed as part of the instant declaration.

The declaration has designated section 12 (c) of the Act and Rule U-46 as being applicable to this matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3130; Filed, February 26, 1943; 2:12 p. m.]

[File No. 812-309]

AMERICAN GOLD, INC.

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 26th day of February, A. D. 1943.

An application having been filed by American Gold, Inc., a registered investment company, under and pursuant to the provisions of section 6 (c) and section 6 (d) of the Investment Company Act of 1940, for an order exempting it from the provisions of section 8 (b) of said Act relating to the filing of a registration statement with the Commission, section 30 (a) of said Act relating to the filing of annual reports with the Commission, section 30 (b) of said Act relating to the filing of semi-annual, quarterly and interim reports with the Commission, section 30 (d) of said Act relating to reports to stockholders, and such other provisions of the Investment Company Act of 1940 as, in the opinion of the Commission, may be proper;

It is ordered, Pursuant to section 40 (a) of said Act that a hearing on the aforesaid application be held on the 22nd day of March, 1943, at 10 o'clock, A. M., Pacific War Time, at the subregional office of the Securities and Exchange Commission, 312 North Spring Street, Los Angeles, California, and continue thereafter at such time and place as the officer hereinafter designated may determine;

It is further ordered, That John G. Clarkson, Esquire, or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing on such matter. The officer so designated to preside at such hearing is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42 (b) of the Investment Company Act of 1940 and to Trial Examiners under the Commission's Rules of Practice.

Notice of such hearing is hereby given to the applicant, and to any other persons whose participation in such proceeding may be in the public interest or for the protection of investors.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3180; Filed, February 27, 1943; 3:01 p. m.]

[File Nos. 59-52, 31-524]

NIAGARA HUDSON POWER CORP., ET AL.

NOTICE OF RECONVENING OF HEARING IN BUFFALO, NEW YORK

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 26th day of February, 1943.

In the matter of Niagara Hudson Power Corporation and its subsidiary companies, File No. 59-52; Buffalo, Niagara and Eastern Power Corporation, File No. 31-524.

Hearings having been held in the above consolidated proceedings relating to Niagara Hudson Power Corporation and its subsidiary companies, pursuant to sections 11 (b) (2), 12 (c), 12 (f), 15 (f) and 20 (a) of the Public Utility Holding Company Act of 1935; and to the application of Buffalo, Niagara and Eastern Power Corporation for an order exempting it as a holding company pursuant to section 3 (a) (1) of said Act; and said hearings having been heretofore scheduled to reconvene on March 2, 1943 at the offices of this Commission in Philadelphia, Pennsylvania;

Notice is hereby given that the reconvening of said hearings is postponed from March 2, 1943 to March 9, 1943 at 10 a. m. and that said hearings will then be reconvened in Room 410 of the United States Post Office Building (sometimes referred to as the Federal Building) in the City of Buffalo, New York, so as to afford stockholders and other interested parties in that area a convenient opportunity to appear and to be heard.

Notice is further given that at said reconvened hearing the evidence to be received shall be confined to the issues, heretofore raised in said consolidated proceedings, relating to Buffalo, Niagara and Eastern Power Corporation, so that the record shall be completed, for submission to the Commission, with respect to: (1) Buffalo, Niagara and Eastern Power Corporation's application pursuant to section 3 (a) (1) of said Act; (2) whether the Commission should require that Buffalo, Niagara and Eastern Power Corporation be eliminated from the holding company system of Niagara Hudson Power Corporation; and (3) whether, if Buffalo, Niagara and Eastern Power Corporation is to continue as a

holding company outside of said system, it should be required to recapitalize in order to effectuate a fair and equitable distribution of voting power and remove undue or unnecessary complexities, if any exist.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3179; Filed, February 27, 1943; 3:01 p. m.]

[File Nos. 34-7, 52-21]

MIDLAND UTILITIES CO. ET AL.

NOTICE OF FILING AND ORDER FOR CONSOLIDATION AND HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 25th day of February 1943.

In the matter of Midland Utilities Company, File No. 34-7.

In the matter of Hugh M. Morris, Trustee of the Estate of Midland United Company and Jay Samuel Hartt and Clarence A. Southerland, trustees of the Estate of Midland Utilities Company, File No. 52-21.

Notice is hereby given that an application, as amended, for approval of a Plan of Reorganization for Midland United Company and its subsidiary, Midland Utilities Company, both of which are debtors in reorganization proceedings instituted in the District Court of the United States for the District of Delaware under section 77B of the Bankruptcy Act, has been filed, pursuant to section 11(f) of the Public Utility Holding Company Act of 1935, by Hugh M. Morris, Trustee of the Estate of Midland United Company, a registered holding company.

Midland United Company ("United") is a public utility holding company organized under the laws of the State of Delaware on December 26, 1928. It directly, or indirectly, owns all of the common stock of Midland Utilities Company ("Utilities"). The corporate relationships of the companies involved and their direct and indirect subsidiaries may be indicated as follows:

Midland United Company (77-B):
- Indiana Hydro-Electric Power Co.
- Indiana Industrial Land Co.
- Midland Stock Transfer Co.
- M. U. Securities Corporation.
- Public Service Company of Indiana, Inc.
  - South Construction Co., Inc.
  - White River Corporation.
  - Union City Electric Co.
- Midland Utilities Co. (77-B).
  - Chicago, South Shore and South Bend R. R. (Ind.).
  - Chicago, South Shore and South Bend Railroad (Mich.).
  - Indiana and Kensington Railroad Co.
  - Michigan City Terminal, Incorporated.
- Indiana Service Corporation.
- Northern Indiana Public Service Co.
  - Berrien Gas and Electric Co.
  - Shore Line Shops, Incorporated.

The principal operating subsidiaries controlled directly by United are:

(a) Public Service Company of Indiana, Inc. ("Public Service Indiana"), which is engaged principally in rendering electric, gas, and water service in north central, central, and southern portions of Indiana.

(b) Indiana Hydro-Electric Power Company, which owns two hydro-electric plants, located near Monticello, Indiana, and approximately 80 miles of transmission lines. The properties are operated by Northern Indiana Public Service Company under a lease expiring May 1, 1958.

Utilities is a public utility holding company organized under the laws of the State of Delaware on June 11, 1923. Its principal operating subsidiaries are:

(a) Northern Indiana Public Service Company ("Northern Indiana") which supplies electric, gas and water service in the northern part of the State of Indiana.

(b) Chicago, South Shore and South Bend Railroad ("South Shore") which operates an electric interurban railroad between South Bend, Indiana, and downtown Chicago, and a motor coach line between Michigan City, Indiana, and Benton Harbor, Michigan.

(c) Indiana Service Corporation ("Indiana Service") which principally supplies electric and transportation service primarily in Fort Wayne, Indiana, and vicinity.

On June 9, 1934, United filed its petition in the United States District Court for the District of Delaware ("Court"), to reorganize under the provisions of section 77B of the Bankruptcy Act. On the same day Utilities filed its petition in the same proceeding and also asked leave to reorganize. Hugh M. Morris has been appointed Trustee of the Estate of United ("United Trustee"), and has registered as a holding company under the Public Utility Holding Company Act of 1935 ("Act"). On October 24, 1938, the Court appointed Clarence A. Southerland and Jay Samuel Hartt successor trustees of the Estate of Utilities ("Utilities Trustees"). They also have registered as a holding company under the Act.

All interested persons are referred to said application, which is on file in the office of this Commission, for a statement of the plan therein proposed, which is summarized as follows:

1. The plan affects the following securities of:

(a) *United.* (i) Promissory notes held by Commonwealth Edison Company, The Peoples Gas Light & Coke Company, and Public Service Company of Northern Illinois (collectively called "Chicago Operating Companies");

(ii) $6 Preferred, Series 1 ($100 Liquidating Value) Stock;

(iii) $3 Convertible Preferred, Series A ($50 Liquidating Value) Stock;

(iv) Common Stock—no par value;

(v) Common Stock Warrants.

(b) *Utilities.* (i) Promissory notes held by Northern Indiana, the Chicago Operating Companies, The Peoples Gas Light & Coke Company Service Annuity Trust ("Service Annuity Trust"), Continental Illinois National Bank & Trust Company of Chicago ("Continental Bank");

(ii) Promissory notes held by United;

(iii) 6% Gold Debentures, Series A, due September 1, 1938 ("Debentures");

(iv) Cumulative Prior Lien Stock, $100 pary value, 7% series and 6% series;

(v) Cumulative Class A Preferred Stock, $100 par value, 7% series and 6% series;

(vi) Common Stock—no par value.

2. The cash and securities to be issued and distributed pursuant to the terms of the Plan of Reorganization will be in full satisfaction and discharge of all claims and litigation pending between all parties, except as otherwise expressly provided in the Plan. More specifically, the issuance of securities pursuant to the plan will be in full setttlement of (a) all intercompany claims between United and Utilities; (b) all claims of the Continental Bank against United and Utilities; (c) all claims of Service Annuity Trust against United and Utilities; (d) all claims of the Chicago Operating Companies against United and Utilities; and (e) all claims of the holders of the Debentures arising out of the alleged violation of the negative pledge clause of the Debenture Agreement, dated September 1, 1928, between Utilities and Illinois Merchants Trust Company, as Trustee ("Debenture Agreement") or otherwise.

3. No provision is made for participation in the estate of Utilities by any of its prior lien stockholders, preferred stockholders, or common stockholders.

4. There is no provision made in the Plan of Reorganization for participation in the Estate of United by any of its common stockholders.

5. All assets owned by United and Utilities held as collateral by secured creditors (Continental Bank, Service Annuity Trust, and Chicago Operating Companies), will be transferred, assigned and delivered to the United Trustee and Utilities Trustees, respectively.

6. United and Utilities will each release the Continental Bank from all counter claims which they have asserted against the bank.

7. The assets of Utilities (including all the collateral and monies which will be returned to Utilities), after payment of all fees and expenses as allowed by the Court, will be distributed as follows:

(a) The Debenture Holders will receive, as a class, in full liquidation of any and all claims:

(i) 912,141.5 shares of the common stock of Northern Indiana. Utilities owns 2,153,525 shares, or approximately 98.7% of the common stock of Northern Indiana, all but 69,500 shares of which are subject to pledge: 912,141.5 shares are equal to approximately 43.75% of Utilities' holdings and will carry approximately 43.2% of the voting power of Northern Indiana:

(ii) 24,955.6 shares of the common stock of South Shore. Utilities owns 62,389 shares, or approximately 80% of the common stock of South Shore, 55,880 shares of which are subject to pledge; 24,955.6 shares are equal to approximately 40% of Utilities' holdings, and will carry approximately 32% of the voting power of South Shore;

(iii) 40% of certain other assets of Utilities—primarily cash and cash items

of $701,440.95, as of December 31, 1942, investments in the common stock of West Ohio Gas Company, demand notes of the Metropolitan District Realty Trust, and certain other items stated to be worthless.

The form and manner of the distribution to the Debenture Holders will be determined, subject to the approval of this Commission, by (i) the Debenture Holders' Committee for Midland Utilities Company acting under a Deposit Agreement dated July 15, 1934 ("Emerich Committee"); and (ii) the Protective Committee of the Holders of Midland Utilities Company Debentures acting under Letters of Authorization Received from Debenture Holders ("Magill Committee").

In the election of the first board of directors of Northern Indiana and of South Shore, nominees of the Debenture Holders shall be elected members of the Board of Directors of each company in such number as shall afford the Debenture Holders the same representation as that to which they would be entitled on the basis of cumulative voting in a general election of directors.

(b) Northern Indiana will receive 69,500 shares of its common stock in full satisfaction of its claims against Utilities.

(c) The following claims will be settled, in cash, on the following bases:

(i) Certain small claims totalling $784.42 will be paid in full;

(ii) The following will be paid 25% of the amount of their following claims:

(A) Four direct and indirect subsidiaries of Utilities—$11,788.19;

(B) Trustees of Service Annuity Trust (for Midland operating subsidiaries)—$75,511.81;

(C) Trustees of the Casualty Group (for Midland operating subsidiaries)—$51,724.68;

(iii) Gary Electric & Gas Company ("Gary") will be paid 40% of $34,356.69, all of which will be distributed, pro rata, to Gary's public stockholders in liquidation of that company.

(d) All the remaining assets of Utilities will be transferred to a common law trust ("Midland Liquidating Trust") to be established for the liquidation of assets, and which will be described hereafter.

8. The assets of United (including all its assets now held as collateral which are to be returned to United), after payment of all fees and expenses as allowed by the Court, will be distributed as follows:

(a) The United preferred stockholders will receive:

(i) 490,974$^{39}/_{300}$ shares of the common stock of Public Service Indiana, which will be distributed on the basis of one share for each share of United $3 preferred stock and two shares for each share of United $6 preferred stock. (These shares constitute approximately 44% of the outstanding common stock and 39% of the voting power of Public Service Indiana.)

(ii) One trust share of the Midland Liquidating Trust for each share of United $3 preferred stock and two trust shares for each share of United $6 preferred stock.

(b) Small claims in the total amount of $32,093.16 will be paid, in cash, in full.

(c) A claim of $85,000 by Henry Van Aalderen will be settled, if possible, for a nominal amount, or tried to conclusion.

(d) All remaining assets of United will be transferred to the Midland Liquidating Trust.

9. For the purpose of consummating the Plan of Reorganization, there will be created, as a common law trust, the Midland Liquidating Trust.

(a) The initial Trustees of the Midland Liquidating Trust are to be: (1) Willis D. Gale, Vice President of Commonwealth Edison Company and also of Public Service Company of Northern Illinois; (2) William C. Freeman, Vice President of The Middle West Corporation; and (3) Max Swiren, attorney for Hugh M. Norris, Trustee of Midland United Company. Provision is made for the appointment of successor Trustees in case of resignation, death, or inability to act on the part of any of the Trustees. The Trustees and their successors are to serve without compensation, except that Max Swiren and his successor will be entitled to such reasonable compensation as may be determined by the other two Trustees, subject to the approval of this Commission.

(b) Immediately upon formation of the Midland Liquidating Trust, the Trustees thereof are to register as a holding company under the Public Utility Holding Company Act of 1935 and shall forthwith consent to the entry of orders by this Commission in accordance with the provisions of Sections 11 (b) (1) and 11 (b) (2) of such Act. The Midland Liquidating Trust will have a term of five years, which may be extended beyond the five-year period, but in no event beyond December 31, 1952.

(c) The assets of the Midland Liquidating Trust upon its creation will consist of:

(i) 1,172,753.5 shares of the common stock of Northern Indiana, which shares represent approximately 56.25% of the holdings of Utilities and will carry approximately 55.5% of the voting power of Northern Indiana.

(ii) 37,433.4 shares of the common stock of South Shore, which shares represent approximately 60% of the holdings of Utilities and will carry approximately 48% of the voting power of South Shore.

(iii) All the holdings of Utilities in Indiana Service, which consist of:

(a) 728,840.73 shares (98.7%) of common stock;

(b) $2,739,000 principal amount of demand notes plus interest thereon of $1,266,877.40 (as of December 31, 1942).

(iv) The balance of the contract obligation of Chicago & Calumet District Transit Co., Inc., stated to be $813,750.00 (as of December 31, 1942).

(v) The remaining portion of the assets of Utilities after partial distribution of the Estate to the Debenture Holders and others, as stated above.

(vi) The remaining portion of the assets of United after partial distribution of the Estate to the Preferred Stockholders and others, as noted above.

(d) The Midland Liquidating Trust will issue Trust Certificates for fixed principal amounts in five series, lettered "A" to "E", respectively. Any equity in the Trust property will be represented by Trust Shares. Trust Certificates "A" to "D", respectively, will bear interest at 2% per annum. Series "E" Trust Certificates, together with the Trust Shares, will not bear interest. After payment in full, out of the net proceeds of the liquidation of the Midland Liquidating Trust, of the principal and interest on Series "A" to "D" Trust Certificates, respectively, the balance of the net proceeds will be distributed, as follows: (1) one-half of the net proceeds will be distributed, pro rata, upon Series "E" Trust Certificates, in full payment thereof, and one-half will be distributed among the holders of the Trust Shares until an aggregate of $788,000 shall have thus been paid; (2) all the remaining net proceeds of the Midland Liquidating Trust will then be distributed among the holders of the Trust Shares.

(e) Upon consummation of the Plan of Reorganization as outlined above, the Trustees of Midland Liquidating Trust shall deliver, to the following parties, the following Trust Certificates, and pay the following amounts of cash:

(i) *Continental Bank:*
(a) $1,000,000 in cash.
(b) A Series "A" Trust Certificate in the principal amount of $1,360,000.
(c) A Series "C" Trust Certificate in the principal amount of $270,000.
(d) A Series "E" Trust Certificate in the principal amount of $270,000.

(ii) *Service Annuity Trust:*
(a) $373.68 in cash.
(b) A Series "B" Trust Certificate in the principal amount of $1,082,000.
(c) A Series "C" Trust Certificate in the principal amount of $124,000.
(d) A Series "E" Trust Certificate in the principal amount of $124,000.

(iii) *Commonwealth Edison:*
(a) $408.55 in cash.
(b) A Series "D" Trust Certificate in the principal amount of $1,405,000.

(iv) *Peoples Gas:*
(a) $748.47 in cash.
(b) A Series "D" Trust Certificate in the principal amount of $1,115,000.

(b) *Public Service Company of Northern Illinois ("Public Service Illinois"):*
(a) $842.98 in cash.
(b) A Series "D" Trust Certificate in the principal amount of $478,000.

The United Preferred Stockholders will receive, as noted above, one Trust Share for each share of United $3 Preferred Stock, and two Trust Shares for each share of United $6 Preferred Stock.

It appearing to the Commission that it is appropriate in the public interest and the interest of investors and consumers that a hearing be held with respect to such amended plan, either as filed or as modified, or any other plans which may be proposed by any person having a bona fide interest in the reorganization, in accordance with the provisions of section 11 (f) of the Act; and

It further appearing that, on August 26, 1937, an application was filed by the Debenture Holders' Committee for Midland Utilities Company, acting under a

Deposit Agreement dated July 15, 1934 ("Emerich Committee"), for a report as to a Plan of Reorganization for Midland Utilities Company, pursuant to Section 11 (g) of the Public Utility Holding Company Act of 1935 (File No. 34–7); and

A hearing having been held on such application (as File No. 34–7) and the matter having been continued subject to call; and

The Commission, on July 5, 1940, having entered its Notice of and Order for Further Hearing (File No. 34–7) wherein it was ordered that the evidence adduced at such hearing would be used in connection with the consideration of the said proposed plan of reorganization, or any other plan of reorganization of Midland Utilities Company which may be the subject of an application filed pursuant to the Public Utility Holding Company Act of 1935; and

It appearing that the foregoing plan, filed as File No. 34–7, is related to, and that the evidence offered in respect to such matter may have a bearing upon the amended application for approval of the Plan of Reorganization for Midland United Company and Midland Utilities Company filed by Hugh M. Morris, Trustee of Midland United Company and filed as File No. 52–21, and that substantial saving of time and expense will result if the matters are consolidated;

It is ordered, That the proceeding filed as File No. 34–7 be and hereby is consolidated with the amended application filed as File No. 52–21.

It is further ordered, That hearing on such plans, as amended, under the applicable provisions of said Act and rules of the Commission will be held on April 12, 1943, at 10:00 a. m., e. w. t., in the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pa.; on such day the Hearing Room Clerk in Room 318 will advise as to the room where such hearing will be held. Said hearings will continue thereat from time to time.

It is further ordered, That, on April 26, 1943, at 10:00 a. m., c. w. t., the hearing will be convened in Room 630, Bankers Building, 105 W. Adams Street, Chicago, Illinois.

It is further ordered, That Richard Townsend or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the Act and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That, without limiting the issues to be considered in this consolidated proceeding, particular attention will be directed at said hearing, in respect to the amended Plan of Reorganization filed by Hugh M. Morris, Trustee of the Estate of Midland United Company, to the following matters and questions:

(1) Whether the proposed amended plan is fair and equitable to the persons affected.

(2) Whether the proposed amended plan is feasible.

(3) To what extent, if any, the proposed amended plan should be modified or amended to render it feasible and fair and equitable to the persons affected.

(4) Whether the various transactions proposed in connection with the amended plan meet the requirements of applicable sections of the Public Utility Holding Company Act of 1935, particularly sections 7, 10, 11, and 12 thereof, and the Rules and Regulations promulgated thereunder, and of the Bankruptcy Act as amended, including (but without limitation) the proposals as to the following matters:

(a) The surrender to the United Trustee and the Utilities Trustees of the United collateral and the Utilities collateral held by the secured creditors.

(b) The partial distribution of the assets of United and of Utilities, and the receipt thereof by the persons other than the Midland Liquidating Trust, specified in the amended Plan of Reorganization.

(c) The creation of the Midland Liquidating Trust and the terms and provisions of such Trust.

(d) The transfer of the assets of United and of Utilities, which will remain after partial distribution of such assets, to the Midland Liquidating Trust, and the receipt of such assets by the Midland Liquidating Trust.

(e) The issuance of Trust Certificates and Trust Shares by the Midland Liquidating Trust, and their receipt by the Trust Certificate Holders and Trust Share Holders of the Midland Liquidating Trust.

(f) The provision that the distribution to the Debenture Holders of Utilities is to be determined by the Emerich Committee and the Magill Committee, subject to the approval of this Commission.

(g) The provision determining the manner in which the first Board of Directors of Northern Indiana and of South Shore are to be elected.

(h) The provision designating Willis D. Gale, William C. Freeman, and Max Swiren, as the initial Trustees of the Midland Liquidating Trust.

It is further ordered, That the Secretary of the Commission shall serve notice of the hearing aforesaid by mailing copy of this order, by registered mail, to Hugh M. Morris, Trustee of the Estate of Midland United Company, Clarence A. Southerland and Jay Samuel Hartt, Trustees of the Estate of Midland Utilities Company, the Debenture Holders' Committee for Midland Utilities Company, acting under a Deposit Agreement, dated July 15, 1934 ("Emerich Committee"), the Protective Committee of the holders of Midland Utilities Company debentures acting under Letters of Authorization ("Magill Committee"), the Committee for the Protection of 6% and 7% Prior Lien Stockholders of Midland Utilities Company, the Protective Committee for the Midland United Company Stockholders, The Middle West Corporation, and The United Gas Improvement Company not less than thirty days prior to the date hereinbefore fixed as the date of the hearing; and that Hugh M. Morris, Trustee of the Estate of Midland United Company, shall serve notice of the hearing aforesaid by mailing copy of this order by registered mail to all parties of record in the reorganization proceedings, No. 1073, in the United States District Court for the District of Delaware, not less than fifteen days prior to the date hereinbefore fixed as the date of the hearing; and that notice of said hearing is hereby given to subsidiaries of said Midland United Company and Midland Utilities Company, the security holders of said Midland United Company and Midland Utilities Company and of the subsidiaries thereof, consumers of said companies, States, municipalities and political subdivisions of States within which are located any of the utility assets of Midland United Company and Midland Utilities Company and all subsidiaries thereof or under the laws of which any of such companies are incorporated, all state Commissions, state securities commissions, and all agencies, authorities, judicial bodies, or instrumentalities of the United States of America and of one or more States, municipalities or other political subdivision having jurisdiction over Midland United Company and Midland Utilities Company or any subsidiaries thereof or over any of the businesses, affairs, or operations of any of them; that such notice shall be given further by a general release of the Commission, distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935; and that further notice be given to all persons by publication of this order in the FEDERAL REGISTER not later than fifteen days prior to the date hereinbefore fixed as the date of hearing.

It is further ordered, That Hugh M. Morris, Trustee of the Estate of Midland United Company, and Jay Samuel Hartt and Clarence A. Southerland, Trustees of the Estate of Midland Utilities Company, on or before March 19, 1943, mail to all known security holders of Midland United Company and Midland Utilities Company, respectively, at their last known addresses, copies of this Notice of and Order for Hearing, and that such trustees have available copies of the amended Plan of Reorganization to be forwarded to such security holders of their respective estates as may request a copy.

It is further ordered, That any persons desiring to be heard in connection with this proceeding or proposing to intervene herein shall file with the Secretary of this Commission on or before April 1, 1943, his request or application therefor as provided in Rule XVII of the Rules of Practice of the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 43–3203; Filed, March 1, 1943; 10:17 a. m.]

[File Nos. 59–8, 70–676]

THE COMMONWEALTH & SOUTHERN CORPORATION AND ITS SUBSIDIARY COMPANIES, ET AL.

NOTICE OF AND ORDER RECONVENING HEARING FOR LIMITED PURPOSE, AND ORDER CONSOLIDATING PROCEEDINGS

At a regular session of the Securities and Exchange Commission, held at its

office in the City of Philadelphia, Pa., on the 27th day of February 1943.

In the matter of The Commonwealth & Southern Corporation and its Subsidiary Companies, Respondents File No. 59-8; Transportation Securities Corporation, the Commonwealth & Southern Corporation, File No. 70-676.

The Commission having by order dated March 6, 1940, instituted proceedings under section 11 (b) (1) of the Act, involving The Commonwealth & Southern Corporation and its subsidiaries (File No. 59-8) and hearings having been held from time to time in said proceedings; and

Respondents having filed an Answer in the section 11 (b) (1) proceedings stating, among other things, that The Commonwealth & Southwestern Corporation contemplated the disposition of the non-utility assets of its non-utility subsidiaries as rapidly as possible; and

The Commonwealth & Southern Corporation and its non-utility subsidiary, Transportation Securities Corporation, having recently filed an application in connection with the proposed disposition of the investment (consisting of all the outstanding common stock) of Transportation Securities Corporation in Springfield Transportation Company, which latter company owns and operates a bus transportation business in Springfield, Illinois, and a hearing on said application (File No. 70-676) having been set for March 8, 1943; and

The Commission deeming it appropriate in the public interest that said proceedings (Files No. 59-8 and 70-676) be consolidated and that consolidated hearings be held with respect thereto; and

It further appearing to the Commission that cause should be shown why an order should not be entered at this time under section 11 (b) (1) of the Act requiring The Commonwealth & Southern Corporation to divest itself of all its interest, direct or indirect, in Transportation Securities Corporation and its subsidiaries.

It is ordered, That the said proceedings (File No. 59-8 and File No. 70-676) be, and they hereby are consolidated, and that a consolidated hearing be held on March 8, 1943, at 10:00 a. m. E. W. T. at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania in such room as the Hearing Room Clerk in Room 318 will at that time advise; and

It is further ordered, That at said consolidated hearing, in addition to the matters specified for consideration in our Notice of Filing and Order for Hearing of February 22, 1943, File No. 70-676, cause shall be shown why an order should not be entered at this time by the Commission directing The Commonwealth & Southern Corporation to divest itself of all its interest, direct or indirect, in Transportation Securities Corporation and its subsidiaries.

It is further ordered, That Willis E. Monty, or any other officer or officers of the Commission designated by it for that purpose, shall preside at the hearing in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

Notice of such hearing is hereby given to The Commonwealth & Southern Corporation and its subsidiary companies and to any other person whose participation in such proceeding may be in the public interest or in the interest of investors. Any person desiring to be heard should file with the Secretary of this Commission on or before March 6, 1943, his request therefor, as provided in Rule XVII of the Rules of Practice of the Commission.

It is further ordered, That the Secretary of this Commission serve notice of the entry of this order by mailing a copy thereof by registered mail to The Commonwealth & Southern Corporation and that notice shall be given to all other persons by publication thereof in the FEDERAL REGISTER, and by a general release of the Commission, distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3200; Filed, March 1, 1943; 10:14 a. m.]

[File No. 70-678]

MILWAUKEE ELECTRIC RAILWAY & TRANSPORT CO. AND WISCONSIN ELECTRIC POWER CO.

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 27th day of February 1943.

Notice is hereby given that a joint declaration or application (or both) has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by The Milwaukee Electric Railway & Transport Company, a wholly owned subsidiary of Wisconsin Electric Power Company, and by Wisconsin Electric Power Company, a subsidiary of The North American Company, a registered holding company, and

Notice is further given that any interested person may, not later than March 17, 1943, at 4:00 p. m., e. w. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter, said joint declaration or application, as filed or as amended, may be granted, as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act, or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania.

All interested persons are referred to said joint declaration or application, which is on file in the office of the said Commission, for a statement of the transactions therein proposed, which are summarized below.

(1) The Milwaukee Electric Railway & Transport Company proposes to purchase for cash at par from Wisconsin Electric Power Company 8,000 shares of its own common capital stock having a par value of $100 per share or an aggregate par value of $800,000 and to retire the stock so to be purchased by it;

(2) Wisconsin Electric Power Company proposes to sell to The Milwaukee Electric Railway & Transport Company the said 8,000 shares of the common capital stock of The Milwaukee Electric Railway & Transport Company for the consideration above specified.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 43-3202; Filed, March 1, 1943; 10:14 a. m.]

[File No. 31-494]

MANUFACTURERS TRUST CO.

ORDER MODIFYING PREVIOUS ORDER AND GRANTING LIMITED EXTENSION OF EXEMPTION

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 26th day of February, A. D. 1943.

Manufacturers Trust Company, the owner of all of the capital stock of Utility Service Company, a registered holding company, and of more than ten per centum of the voting securities of New England Public Service Company, also a registered holding company, having filed an application for an additional extension of the exemption granted it pursuant to section 3 (a) (4) of the Public Utility Holding Company Act of 1935 by our orders of April 20, 1939, May 17, 1941, and February 26, 1942; a hearing having been held on said application after appropriate notice, and the Commission having considered the record and issued a Memorandum Opinion based thereon;

It is ordered, That Manufacturers Trust Company be and it is hereby exempted until July 15, 1943, from all of the provisions of said Act applicable to it as a holding company with respect to its direct ownership of the voting securities of Utility Service Company and New England Public Service Company, and with respect to its indirect ownership of the voting securities of The Marion-Reserve Power Company and Eastern Minnesota Power Corporation and New England Public Service Company. If on or prior to July 15, 1943, it has disposed of its interest in the common stock of The Marion-Reserve Power Company we will, upon appropriate application, further extend its exemption with respect to its

interest in Utility Service Company, New England Public Service Company and Eastern Minnesota Power Corporation; jurisdiction is retained for that purpose;

It is further ordered, That all the provisions contained in the next to the last paragraph of our order in the above styled and numbered matter dated May 17, 1941, relating to the exemption of Manufacturers Trust Company with respect to its direct and indirect ownership of the voting securities of New England Public Service Company not in conflict with the terms of this order remain in full force and effect until the further order of this Commission.

By the Commission:

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 43-3201; Filed, March 1, 1943; 10.14 a. m.]

WAR PRODUCTION BOARD.

ORDERS PARTIALLY REVOKING AND STOPPING CONSTRUCTION OF CERTAIN PROJECTS

NOTICE TO BUILDERS AND SUPPLIERS

The Director General for Operations of the War Production Board has issued certain revocation orders listed in Schedule A below, partially revoking preference rating orders issued in connection with, and partially stopping the construction of the projects affected. For the effect of each such order upon preference ratings, construction of the project, and delivery of materials therefor, the builder and suppliers affected shall refer to the specific order issued to the builder.

Issued February 27, 1943.

CURTIS E. CALDER,
Director General for Operations.

SCHEDULE A

Preference rating order	Serial No.	Name and address of builder	Project affected	Date of issuance of revocation order
P-19-h	42455	War Relocation Authority, Washington, D. C.	Poston, Yuma Counties, Ariz	2/24/4
P-19-h	35973	War Relocation Authority, Washington, D. C.	Eden, Idaho	2/24/43
P-19-h	34783	War Relocation Authority, Washington, D. C.	Jerome, Drew and Chicot Counties, Ark.	2/23/43
P-19-h	34782	War Relocation Authority, Washington, D. C.	Rohwer, Dasha Co., Ark	2/23/43
P-19-h	34664	War Relocation Authority, Washington, D. C.	Tule Lake, Newell, Siskiyou and Modoc Counties, Calif.	2/23/43
P-19-h	35972	War Relocation Authority, Washington, D. C.	Delta, Millard Counties, Utah	2/23/43

[F. R. Doc. 43-3192; Filed, February 27, 1943; 5:00 p. m.]

ORDERS REVOKING AND STOPPING CONSTRUCTION OF CERTAIN PROJECTS

NOTICE TO BUILDERS AND SUPPLIERS

The Director General for Operations of the War Production Board has issued certain revocation orders listed in Schedule A below, revoking preference rating orders issued in connection with, and stopping the construction of the projects affected. For the effect of each such order upon preference ratings, construction of the project and delivery of materials therefor, the builder and suppliers affected shall refer to the specific order issued to the builder.

Issued February 27, 1943.

CURTIS E. CALDER,
Director General for Operations.

SCHEDULE A

Preference rating order	Serial No.	Name and address of builder	Project affected	Date of issuance of revocation order
P-19	8943	F. W. A., Washington, D. C.	Annapolis, Kitsap County, Wash	2/26/43
P-19-h	49281	Young Men's Christian Association, New York, N. Y.	Blytheville City Hall, Blytheville, Mississippi County, Ark.	2/26/43
P-19-a	13251	F. W. A., Washington, D. C.	El Campo, Tex. (WPW 41-226)	2/26/43
P-19-h	27402	F. W. A., Washington, D. C.	Sitka, Alaska (WPW 50-106)	2/24/43

[F. R. Doc. 43-3191; Filed, February 27, 1943; 5:00 p. m.]